



# Depth of Israel's Sephardic-Ashkenazi Split Revealed in 'Black-White' Tone of Election

By Don Schanche  
Los Angeles Times Service

JERUSALEM — "I'm afraid this election boils down to a stand-off between the white intelligentsia and the blacks," said the European-born wife of a prominent member of this city's establishment.

And a Moroccan-born Jewish taxi driver in Tel Aviv complained, "We are the niggers of Israel."

Their remarks, seemingly more appropriate to South Africa than to a country widely perceived as homogeneous and idealistic, reflect long-standing ethnic divisions, which have emerged more sharply in the current Israeli election campaign than at any time in the young country's history, according to social scientists and other commentators here.

The division — openly discussed in terms of white-vs.-black by

many Israelis — already has had a significant effect on the campaign and may prove crucial when Israel's roughly 2.5 million voters go to the polls Tuesday to select a new Knesset (parliament).

**'Ethnic Fear'**

"People of Asian and African descent will vote in great numbers for the Likud," the ruling bloc of Prime Minister Menachem Begin, said Hanoch Smith, Israel's leading pollster.

Conversely, in the words of the self-described "white intellectual" woman from Jerusalem, "The heavy innuendo of the campaign, both sides playing on ethnic fear, will frighten many of us into voting for the Labor Party alliance even though we might dislike [Labor leader Shimon] Peres and prefer one of the smaller left or right parties."

The split among Israel's 3.2 million Jews, while more pronounced than in past Israeli elections, is not new. Sociologists and others here have long decried the division of Israel, soon after its founding, into two separate and unequal communities: Ashkenazi Jews of largely European and North American origin, and Sephardic or "Oriental" Jews, mostly from North Africa and the Middle East.

The generally light-skinned Ashkenazi Jews, whose fathers led the Zionist movement that gave birth to modern Israel, were first on the scene, leading the battle for Israel's independence in 1948 and then taking the reins of political and economic power.

By the mid-1950s, however, hundreds of thousands of darker-skinned Jews, most of them uneducated and bound in tribal ways and cultures alien to the European Jews, were either forced or encouraged to emigrate to Israel from Morocco (500,000), Yemen (49,000), Tunisia (38,000), Libya (37,000), Egypt (31,000), and other Moslem countries.

African Jews, particularly the Moroccans.

Mr. Gluska explained that the Moroccans had started out in Israel with two strikes against them — not only that their illiteracy and tribal cultures had ill-prepared them for a modern society, but also that they arrived essentially leaderless, as "the elite of the Moroccan Jews either stayed in Morocco or established themselves in France."

He said that it had been only recently that a new generation of young leaders, "anxious, and rightly so, to find its rightful place in the higher strata of Israeli society," had emerged.

# U.S. Plan to Arm China 'Dangerous,' Pravda Says

By John F. Burns  
New York Times Service

MOSCOW — In its most authoritative comment yet on the U.S. decision to sell arms to China, Pravda described the move as "an escalation of reckless policy" that was "highly dangerous for the cause of peace."

"The Soviet Union cannot remain indifferent to the new, dangerous turn in Sino-American relations, especially to the plans of supplying China with modern American weapons, military equipment and technology," the Soviet Communist Party newspaper said Friday.

"These actions by Washington and Peking can only be assessed as hostile toward our country," the Pravda article said. "The Soviet Union will take such measures that will be dictated by the emerging situation. Nobody should doubt that the Soviet people, who have good nerves and powerful means of curbing aggression, will not yield to provocations and will be able to stand up for themselves, to defend the interests of their friends and allies."

a case-by-case basis and within statutory restraints, such as the one forbidding the use of U.S. weapons for offensive purposes.

Pravda, saying that "the State Department avoids calling things by their names," said that Mr. Haig's announcement opened the way for Peking to buy guidance systems for strategic missiles, military communications equipment and "all types of combat equipment, from anti-tank missiles to fighter-bombers."

The article said that the hallmark of Mr. Haig's talks with the Chinese leader, Deng Xiaoping, and others was hostility to the Soviet Union, with the emphasis on broadening the military aspects of the relationship between China and the United States. "It can be said that Haig was on a mission in Peking as a general in civilian uniform," it said.

Now the Sephardic Jews outnumber the Ashkenazis: 45.2 percent of Israelis are Sephardic, according to 1980 estimates, and 41.5 percent are Ashkenazi; and there are Sephardic as well as Ashkenazi Jews on every major political party's list of candidates.

From the beginning, the Sephardic Jews, most of whom trace their ancestry to the Jews expelled from Spain in 1492, have been Israel's slum-dwellers. "Most belong to the lower classes. They make up the majority in the jails and a tiny minority in the universities," said Viki Shiran, a spokeswoman of the small and almost exclusively Sephardic Tami Party, which recently split from the National Religious Party, which backs Mr. Begin.

But Ami Gluska, a spokesman for Israeli President Yitzhak Navon, who is of Moroccan ancestry, pointed out that Sephardic Jews from Iraq and some other Middle Eastern countries had progressed more rapidly and fared better socially and politically than North

He said that it had been only recently that a new generation of young leaders, "anxious, and rightly so, to find its rightful place in the higher strata of Israeli society," had emerged.

**Greatest Irony**

The effect of the so-called "ethnic issue" on the election campaign is not without its paradoxes.

The greatest irony is that Mr. Begin, a Polish Ashkenazi Jew with no Sephardic connections, has become what Uri Avnery, a prominent leftist editor and former Knesset member, has called "the top cult symbol of the Sephardic revolution."

"How is it possible," Mr. Avnery wrote in his weekly newspaper, Haolam Hazeh, that Mr. Begin "is the leader of the Moroccans?"

The reason, according to Aharon Megged, a columnist for the newspaper Davar, is "hate for the establishment, the veteran Ashkenazi establishment with its culture, its beautiful people... The establishment is embodied in the person of Shimon Peres... while Begin — [although] also a veteran Ashkenazi — is the embodiment of the anti-establishment."

Mr. Megged, who leans more toward Mr. Peres than Mr. Begin, said that Mr. Begin's "contempt for the whole world and for the facts and the truths, his mockery, his threats, his bloated pride, his boasting in terms of strength, his appeal not to reason but to instinct, his macho appeal — he speaks the language of the mob, and the mob understands him."

Like racial code words in the United States, Mr. Megged's use of the term "mob" struck a chord among his readers. To most of them, it means the Sephardic Jews.

# Labor Predicts Close Vote Would Not Dislodge Begin

(Continued from Page 1)

points of the Begin government, particularly its handling of the economy.

Labor's internal strife at times made it difficult for Mr. Peres to take clear positions, an adviser said. The party's policy committee, split within itself, reached compromises that appeared ambiguous.

Thus, for example, a political adviser's recommendation that Labor criticize Mr. Begin for not removing the Syrian missiles from Lebanon was rejected in favor of an ambiguous stance favoring both negotiations and resoluteness, which gave Mr. Begin the latitude to play the issue to his advantage.

When Israel bombed an Iraqi nuclear reactor June 7, Mr. Peres reportedly wanted to criticize Mr. Begin strongly, but the party's policy committee was understood to have voted him down, sensing that the raid was popular with the public.

The result was an awkward position, in which Mr. Peres first praised the pilots, then questioned the timing of the raid, and finally suggested that diplomatic efforts might have been pursued with the new government of France, which was building the reactor. An impression of vacillation and uncertainty was created, and Mr. Begin

attacked Labor for sabotaging Israel's efforts to persuade the world that its position was just.

"They've moved to the defensive on every single issue," a political professional said of Labor's leadership, "where they could have moved to the offensive."

"I think there were many mistakes in our campaign at the outset," said Chaim Herzog, a former ambassador to the United Nations and head of Labor's information efforts, "but we regained our balance."

Labor's last rally, on Saturday night in Tel Aviv, drew a crowd estimated by party officials at between 150,000 and 200,000 and included many kibbutz residents brought by bus. Mr. Peres, Mr. Rabin and Gen. Bar-Lev raised their hands in a three-way handshake, and the crowd roared approval.

The turning point, Mr. Herzog said, came when Begin supporters started breaking up Labor rallies, hurling tomatoes and eggs and jeering speakers off the platform, smashing windows in party offices and vandalizing cars with pro-Labor bumper stickers.

On Saturday night, according to the police, an office of the "Aryeh" thing but Likud" movement — an amalgam of Labor and leftist parties — was set on fire while a 17-year-old guard was asleep inside. He awoke and called the police. Bomb scares were reported Sunday at both Labor and Likud headquarters.

"I think that the fear running out of the violence got the silent majority worked up," Mr. Herzog said. "We got people calling in reminding parties what happened in Europe. One lady said this reminded her of the Brownshirts, and we recorded her and put her on the air."

But whether the last-minute Labor gain will be enough for a secure victory is far from certain. Aharon Harel, the party's campaign manager, said that Labor needed seven to 10 seats more than the Likud bloc. With less of a lead, it would probably be hard for Labor to find a majority among other smaller parties on the left, he explained. Mr. Herzog agreed with the assessment, as did other Labor advisers and independent political journalists.

The calculation is based on the assumption that the National Religious Party, which has been part of every government, including 29 years in Labor-led coalitions, would prefer Likud as a partner.

The party's main platform is to maintain orthodox observance, including a ban in public transportation on the Sabbath and religiously oriented social legislation. It has won 10 to 12 seats in the past, and is shown in the surveys as winning eight or nine seats.

Under Likud, it has gained influence. Its chairman, Yosef Burg, the interior minister, has served as head of Israel's delegation in the negotiations with Egypt and the United States on self-administration for Palestinians on the West Bank of the Jordan River and in the Gaza Strip. The head of its more activist faction, Zevulun Hammer, has been education minister, something Labor officials say they will not allow.

In addition, the National Religious Party has grown more hawkish, including elements that support continued Jewish settlement in the occupied West Bank.

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# Doctor Says Russians Hold Barely 10% of Afghanistan

By Raymond H. Anderson  
New York Times Service

NEW YORK — Soviet occupation troops in Afghanistan control no more than 10 percent of the country and are limited mainly to search-and-destroy operations from isolated strongholds and outposts, according to a West European physician who has traveled widely through insurgent areas.

The doctor, on a visit to the United States, said in an interview that a year and a half after their intervention in Afghanistan, the Soviet troops were resorting to trying to cut off food, medicine and other supplies to suppress resistance by the mujaheddin, or Islamic rebels, against Soviet troops and the Marxist government in Kabul.

The Soviet intent, he said, is to force the Afghans, who are scattered across the barren country or living in virtually inaccessible mountain valleys, to resettle in cities or refugee centers where they can be more closely controlled.

This strategy is meeting some success, leading to malnutrition in some areas and subsequent resentment, said the doctor, who asked that his identity and that of his West European medical organization not be divulged.

"It is widely known by Afghans that we are there, and the Russians certainly know it, too, but they do not interfere," he said. "We must be careful, however, not to jeopardize our ability to move freely across the frontier."

wounded," he said. "But there has been little for it to do because there are so few wounded."

The insurgents, alerted by supporters in Soviet-controlled areas or by the roar of advancing armor, which is audible for miles, are able to evade Soviet forces, he said. Soviet helicopter gunships also have little success, he added, because the gray and brown garb of the insurgents makes them largely undetectable in the mountains from only a few hundred yards away.

**300 Destroyed Tanks**

The European medical group sent its first team of doctors into Afghanistan about a year ago and now has seven teams there, each consisting of a man and a woman. Another team is about to enter the country.

The doctor said that the teams had counted 300 destroyed Soviet tanks in their travels and believed that the total was well over a thousand. The rebels strip the tanks and armored vehicles of guns and equipment for their own use. The fate of any Soviet crewmen taken alive is usually "summary execution," the doctor added.

The tactics of the lightly armed rebels are innovative, he said. "They dig deep trenches across narrow mountain dirt roads and cover them. The lead tank falls in, blocking the road. The mujaheddin run to the other tanks and smear mud over the slits so the crews are blinded. Then they destroy the tanks with gasoline."

The doctor said Soviet armored columns occasionally penetrated to isolated villages but seldom encountered any inhabitants, who flee into the mountains. He said the troops destroyed food supplies and buildings and then withdrew.

# 5 Hurt in Clash in Nuremberg

The Associated Press

NUREMBERG — Youths at an "International Squatters' Festival" during the weekend vandalized local streets and fought with police. Five persons, two of them policemen, were injured in the fighting, according to police reports.

More than 600 youths staged a demonstration after an outdoor concert Saturday night at the gathering of squatters from West Germany and other West European countries, police said.

er to the Soviet Embassy in London, Mr. Barnett said.

According to Western sources, there are about 500,000 Pentecostals in the Soviet Union, half of them registered with the Official Council for Religious Affairs and the other half practicing their religion illegally. About 30,000 have applied to emigrate to the West, but only a handful have been granted exit visas, the sources said.

# 70 Reported Dead in Soviet Georgian Wreck

MOSCOW — Seventy persons were killed and more than 100 injured in a train crash near a Black Sea resort in Soviet Georgia, a report reaching Moscow said Sunday. There was no official confirmation.

The collision, between an express and a local train last week, blocked the main line between the Georgian capital of Tbilisi and the north, travelers said.

Their reports said railroad traffic was stopped for several hours at the crash site near Gagra, a Black Sea coastal resort popular with summer vacationers.

# Sentencing Tuesday in 9 Nazi Guards' Trial

DUESSELDORF — Nine former concentration-camp guards accused in the murder of more than 100,000 prisoners during World War II are scheduled for sentencing Tuesday as West Germany's longest war crimes trial nears a close. The trial began Nov. 26, 1975.

The prosecution seeks life prison terms for five defendants, lesser terms for three and acquittal for one defendant. Defense attorneys have asked acquittal for all nine former guards at the Majdanek concentration camp in Poland.

Anticipating the one acquittal at least, authorities have ordered strict security around the courtroom to contain protests. Anti-Nazi demonstrators raised an uproar in 1979 when four of the original 15 defendants were released for lack of evidence.

Commentators said the proposal, adopted by a Labor Party conference Sunday after 10 days of talks between the two parties, made it likely that the next premier would be Gaetano FitzGerald, the Fine Gael leader. Premier Charles Haughey, whose Fianna Fail party lost control of the Dail in the June 11 general election, plans to try to form a minority government backed by independents.

In Belfast on Saturday, a gunman slipped past Royal Victoria Hospital guards into an intensive-care cardiac unit, fired several shots at a soldier on duty in the ward and escaped. Police said no one was hurt. The Irish National Liberation Army, a splinter group of the Irish Republican Army, claimed responsibility.

# Brandt to Discuss Arms Talks in Moscow

BONN — Former Chancellor Willy Brandt said Sunday, on the eve of a visit to Moscow, that he would press West Germany's interests in East-West talks on curbing nuclear arms and tell Soviet leaders that he is sure the United States genuinely seeks arms negotiations.

Mr. Brandt, who is going to Moscow on Monday as the guest of President Leonid I. Brezhnev, said in a radio interview that West Germany hoped it would be possible to create conditions that would make it unnecessary to station new U.S. missiles in Europe.

He criticized U.S. disarmament negotiator Eugene V. Rostow's statement that the United States could not start talks on limiting intercontinental weapons before next spring. Mr. Brandt also said that he was not going to Moscow as a negotiator but with hopes to gain insight into how the Soviet Union views prospects for arms talks.

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# 2 Irish Opposition Parties Bid for Coalition

DUBLIN — The Irish Republic's two main opposition parties, Fine Gael and Labor, have decided to seek power as a coalition when the Dail (parliament) meets on Tuesday to elect a new premier, party officials said Sunday.

Commentators said the proposal, adopted by a Labor Party conference Sunday after 10 days of talks between the two parties, made it likely that the next premier would be Gaetano FitzGerald, the Fine Gael leader. Premier Charles Haughey, whose Fianna Fail party lost control of the Dail in the June 11 general election, plans to try to form a minority government backed by independents.

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# Pope's Taped Message Broadcast at Vatican

VATICAN CITY — Pope John Paul II spoke of his illness Sunday in a taped message beamed by Vatican Radio over loudspeakers in St. Peter's Square. He thanked those who have offered support "in consideration of my weakness."

Sounding stronger than in a similar broadcast a week ago, the pontiff issued an appeal for peace in Lebanon. The eight-minute talk included greetings in Polish to the pope's countrymen.

The message was taped at the pope's room in the Gemelli hospital, where he is suffering from a virus that has slowed his recovery from gunshot wounds received in an attempt on his life on May 13. Doctors said Saturday it may be three weeks before the pope can be released again from the hospital.

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# OAU to Ask for UN Force To Help End Sahara War

(Continued from Page 1)

leader, Hissene Habre, a former premier. The Libyans have remained in Chad, and Mr. Habre's guerrillas, backed by Sudan, are continuing raids in eastern Chad.

The departure of the Libyans would remove one of the bitterest issues before the OAU. Moderate states have accused Col. Qadhafi of trying to annex Chad.

No date was set for the arrival of the OAU units in Chad. But Mr. Goukouni said at a news conference that if the force reached Chad within a month or two, he would promptly ask the Libyans to leave and thank them for their help.

The peacekeeping proposal is essentially the same as a previous OAU plan in Chad that did not get off the ground because of a lack of money. Libya moved in after OAU troops failed to arrive, and it caused anxiety among neighboring countries who suspected Col. Qadhafi of expansionist policies.

The difference this time is that Nigeria has agreed to help finance the OAU troops. The Nigerian foreign minister, Ishaya Adun, estimated the cost of a Chad peace-

keeping mission at \$100 million or more, and he said Nigeria was prepared to contribute.

Mr. Omu, the assistant secretary-general, said the 55 resolutions on continental and world issues had been approved at the meeting. They included a condemnation of Israel's raid against the Iraqi nuclear plant on June 7 and that the OAU said were Israel's expansionist policies.

But the resolution did not specifically condemn Egypt for its peace agreement with Israel. Egypt is a member of the OAU.

The meeting also approved formation of an OAU African defense force, a political security council to strengthen the body's decision-making powers and a commission to investigate boundary disputes.

**Morocco-Mauritania Ties**

JIDDA (Reuters) — Morocco and Mauritania decided Sunday to settle their differences over the Western Sahara issue and to resume diplomatic relations, the official Saudi Press Agency said.

The agency gave no other details, but Arab diplomatic sources said the two sides had agreed on the broad outlines of a settlement.

King Hassan II of Morocco and President Mohammed Khouna Ould Haïdalla of Mauritania met at the Saudi resort city of At Ta'if early after arriving from the OAU summit. Mauritania broke off diplomatic relations with Morocco after accusing it of supporting a coup against Col. Haïdalla's government in March.

# Siberian Pentecostals Begin 4th Year In Basement of U.S. Embassy in Moscow

MOSCOW — Seven Pentecostals from Siberia have begun their fourth year in refuge in the U.S. Embassy in Moscow, with no sign that the Soviet government will permit them to emigrate.

"The situation remains stalemated," a U.S. diplomat said Friday. "The Soviets continue to insist that the Pentecostals return to Chernogorsk before their application for emigration will be reviewed."

Chernogorsk is the remote Siberian home of the seven Protestant sect members — Pyotr Vashchenko, 54; his wife, Augusta, 51; their daughters, Lidya, 28; Lyubov, 24; and Lilya, 21; and Maria Chmykalov, 68, and her son Timofei, 18.

They pushed past Soviet police guards into the embassy compound on June 27, 1978, in a bid to emigrate to the West. Describing themselves as victims of religious persecution, the seven were granted "humanitarian refuge" in the embassy and have lived ever since in a one-room basement apartment.

# Ban on Whaling Urged by Group

GLAND, Switzerland — The World Wildlife Fund has called for an immediate global ban on commercial whaling in an effort to save several species of the giant mammals from extinction.

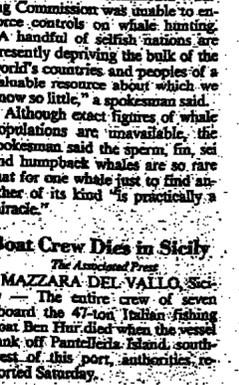
China, the Soviet Union and Japan are the worst offenders, the group asserted. The London-based International Whaling Commission was unable to enforce controls on whale hunting. "A handful of selfish nations are presently depriving the bulk of the world's countries and peoples of a valuable resource about which we know so little," a spokesman said.

Although exact figures of whale populations are unavailable, the spokesman said the sperm, fin, sei and humpback whales are so rare that for one whale just to find another of its kind "is practically a miracle."

# Boat Crew Dies in Sicily

MAZZARA DEL VALLO, Sicily — The entire crew of seven aboard the 47-ton Italian fishing boat Ben Fanti died when the vessel sank off Pantelleria Island, southwest of this port, authorities reported Saturday.

# The Vashchenko Family, Five of the Seven Pentecostals in Refuge at the U.S. Embassy in Moscow, in a recent photograph.



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# Reagan Wins House Budget Vote As Coalition Defeats Leadership

By Martin Tolchin  
New York Times Service

WASHINGTON — The House of Representatives, after a tumultuous debate, has given President Reagan his second successive victory on his economic program by adopting a Republican package of far-reaching spending cuts opposed by the Democratic leadership.

A coalition of Republicans and conservative Democrats again wrested control of the House from the Democratic leadership and prevailed in a 217-211 vote Friday night. A total of 23 Democrats supported the Republican package, while two Republicans voted with the Democrats. They were Reps. Claude Schneider of Rhode Island and Charles F. Dougherty of Pennsylvania.

The vote represented a historic turning point in the direction of government, whereby a conservative president and the most conservative Congress in 25 years have

repealed and modified much of the social legislation of Franklin D. Roosevelt's New Deal and Lyndon B. Johnson's Great Society.

The bill, which now goes to a Senate-House conference, is similar to the one adopted Thursday night by the Republican-controlled Senate and means that Mr. Reagan has now achieved the basic spending cuts that he sought. The question is whether the same coalition will also give him a victory on his tax package, which is scheduled to be considered by Congress in July.

"This was a tremendous victory, and I think you'll see more of the same, even beyond economic issues," said Rep. Delbert L.atta, Republican of Ohio, a co-sponsor of the Republican package. "This isn't the end. Unless the Democratic Party wakes up and takes a turn to the right, there'll be a lot more of it."

The House speaker, Rep. Thomas P. O'Neill Jr., at least for the moment has lost effective control over the body. The Massachusetts

Democrat walked off the floor in silence Friday night, retreating to his office without stopping to answer questions.

The package of \$38.2 billion in spending cuts was \$600 million more than the \$37.6-billion package recommended by the Democratic-controlled House committee, but the administration contended that many of those committee cuts were illusory, counterproductive and unnecessarily severe.

The Republican plan focused on changes in eligibility and benefits in social programs long supported by Democrats, including Social Security, food stamps, guaranteed student loans, child nutrition, Medicaid and cost-of-living increases for federal retirees.

The full impact of those curtailments on the growth of these social programs will be felt in future years, but Republicans estimated that those changes alone would bring savings of \$45 billion through fiscal 1984.

Mr. Reagan praised the action and said that adoption of the Republican measure was "absolutely essential in order to meet our spending targets next year and balance the budget by 1984."

New Restraints Needed

"There will be a need for additional spending restraints in the future," the president said. "But without this vote today, we would have faced more than \$20 billion in additional deficits over the next three years."

The Republicans also restored funds to the Export-Import Bank that were cut for elimination under the Democratic package. Their plan also consolidated scores of specific, categorical programs into block grants whose priorities would be set by the states.

Rep. O'Neill had told reporters Friday morning, "We'll be spending everything we possibly have to defeat this package." He exhortated the 29 Democrats who voted Thursday for a parliamentary procedure that enabled the Republicans to present their bill as a single entity. "In decency, some of those fellows should resign from the Democratic caucus," the speaker said.

But although the executive committee of the Democratic Study Group met to consider expelling the defector Democrats or stripping them of their committee seniority, the consensus was that the Democratic leadership was powerless to discipline the defectors.

"Secret" Passages

The hastily written Republican package, completed late Thursday night and not made available until Friday afternoon, contained some passages that were unknown to some senior Republican legislators.

Democrats sought to exploit what Rep. O'Neill called "the hidden agenda" of the Republican package, especially a provision that gave the Office of Management and Budget the power to define poverty — a key factor in the disbursement of federal anti-poverty funds.

"Let me disclose to you one or two sneaky provisions," Rep. James C. Wright Jr., Democrat of Texas, told the House. "Did any of you address, were any of you told, was any hint given any member of this House that this bill would grant to Mr. Stockman the power to determine the poverty levels, the power to demolish the programs so carefully constructed by the Congress?"

Republicans countered that their bill caused no change in the current power to define poverty that is vested in the Office of Management and Budget, headed by David A. Stockman.

# Moon Is Suspected in U.S. Of Immigration Violations

By Robert Pear  
New York Times Service

WASHINGTON — Immigration authorities say the Rev. Sun Myung Moon and many of his followers have apparently violated immigration rules by coming to the United States on visitors' visas when they actually intended to stay.

A Justice Department official said Friday that the government would probably begin deportation proceedings this summer against Mr. Moon, the founder of the Unification Church, on the basis of an investigation suggesting that he and his wife had violated immigration rules.

In addition, the Immigration and Naturalization Service contends that many church members are in the country unlawfully because they have remained beyond their authorized periods of stay.

David Carliner, an immigration lawyer who represents Mr. Moon, said that the service had been investigating the Korean-born evangelist and other church members since the early 1970s. Mr. Carliner said that he thought the investigation had "petered out several years ago" and that he knew of no immediate plans for deportation proceedings.

In New York, Mose Dursi, the president of the church, issued a statement saying that reports about imminent deportation proceedings were "part of an orchestrated attempt to assassinate the character of Reverend Moon, discredit the church and defame its members."

The Justice Department official insisted on speaking anonymously because, he said, "eleventh-hour developments might persuade the government" to change its plans. Another official, David W. Crossland, general counsel for the immigration service, confirmed the existence of the investigation, but would not say whether deportation efforts were likely or unlikely.

Mr. Crossland said that Mr. Moon had become a permanent resident alien in 1973. Mr. Moon entered the United States on a visitor's visa in 1972, according to an FBI report, copies of which were released Friday by the church.

A congressional subcommittee that investigated Korean-American relations in 1977-78 said that Mr. Moon had apparently flouted immigration regulations "with impunity."

The subcommittee said that Mr. Moon had obtained his certificate



Rev. Sun Myung Moon

of permanent resident status on the basis of his wife's having established residence earlier. "She in turn achieved her status by being listed as an employee of the Korean Cultural and Freedom Foundation, which was controlled and used by the Moon organization," the report said.

The report said that the Moon organization exploited or ignored U.S. immigration laws so that church members could come to the United States, raise funds and "move large amounts of cash across international boundaries." The report alleged that these activities circumvented or violated currency restrictions.

If immigration service officials decide to move against Mr. Moon, the process will probably take a long time. After the initial proceeding before an immigration judge, Mr. Moon, like any other alien, could ask for review by the Board of Immigration Appeals, the U.S. Court of Appeals and the Supreme Court.

The immigration service has prevailed in the Court of Appeals in at least two cases where it took action against members of the church. The commissioner of immigration had argued that aliens brought to the United States for missionary training were being used instead to solicit funds for the church.

Mr. Carliner, who is the author of the American Civil Liberties Union handbook on the rights of aliens, said that the immigration service had a "political bias" against Unification Church members.

# Billy Carter Auctions Off Property to Pay His Taxes

Washington Post Service

PLAINS, Ga. — The saga of a beleaguered Billy Carter ended here at a public auction when the brother of former President Jimmy Carter sold off property, including his gas station, to pay his taxes.

Also auctioned on Saturday were assorted lots, his ranch-style home and a softball field where he once pitched in a "Redneck Power" T-shirt against reporters and his brother.

Afterward, Mr. Carter, 44, saying he had earned enough money to settle accounts with the Internal Revenue Service and local bankers, said farewell to Plains. He is moving to Haleyville, Ala., 110 miles (175 kilometers) away, to seek a "clean break" and start a new life promoting homes for a large construction company.

"I won't miss Plains at all," he said, calling it "a sad day and a good day. Some people will be glad to see me go. Some I'll be glad to leave. The only people I hate to leave is my pastor and my mother." His mother, Lillian Carter, 82, is to undergo surgery Monday for a malignant lump in her breast.

Mr. Carter earned more than \$106,000 from the auction and the private sale to the city of a lot behind the station. It was enough, he said, to pay \$70,000 he owed the IRS from a 1978 tax debt and about \$30,000 to local bankers who had threatened to foreclose on his 7,700-square-foot home on 58 acres in nearby Buena Vista.

All he has left to settle is a \$220,000 loan from Libya. Senate investigators have concluded that the 1980 loan was an unsuccessful attempt by Libya to influence the Carter administration through Billy Carter.

Jimmy Carter, who attended the auction, said afterward, "I hate to see him go, but he has a fine position in Alabama."

# Science Funds Cut From U.S. Budget

By Philip J. Hiltz  
Washington Post Service

WASHINGTON — In the confusion on the House floor during Friday night's budget debate, a handwritten note was enacted into law that, for the time being at least, deletes the budget for the National Science Foundation (NSF) and research funds for three other federal agencies.

A few words scrawled at the top of a page in President Reagan's substitute budget proposal had congressmen arguing from the floor against an action that might inadvertently strip U.S.-funded scientific research.

The scrawled note, read aloud by the House clerk, called for striking a portion of the budget proposal to support different material. What was deleted was NSF's budget, as well as the research budgets of the Department of Energy, the Environmental Protection Agency, the National Oceanic and Atmospheric Administration and the Federal Emergency Management Agency. The substitute material contained a revised budget only for the Department of Energy.

That left NSF and three research budgets as clippings on the floor. At first congressmen and agency officials were a mixture that the deletion was an mistake that would be corrected by a quick technical amendment, said Patricia Nicely, head of the congressional liaison office for the NSF.

Maneuver Intentional

But when no fix appeared, it became clear that while the deletion did inadvertently wipe out a couple of small-business programs, dropping the science agencies was no accident. It was a Republican maneuver to strip those budgets out of the large budget package.

The science budgets were not actually killed by the action Friday, but they now must come up as separate bills before the Congress. That makes them far more vulnerable than when they were safely tucked into the recesses of the big budget bill, especially in the budget-cutting mood that Congress has been in recently.

"Clearly, it's a way the minority can use to bring the full pressure to bear on the NSF bill they want," said Thomas Moss, staff director of a House Science and

# Helms' Tactics Erode Senate's Clubbiness

By Francis X. Clines  
New York Times Service

WASHINGTON — The time-honored image of the U.S. Senate as a club where members preen one another with barbed rhetoric and genteel agreements may be fading, if the things being said about Sen. Jesse Helms, the North Carolina Republican, are any indication. Under pressure by the senator, who has made a career of pursuing relentlessly his own conservative agenda, the club may be evolving into a jungle where some of the Senate lions watch in beady-eyed anxiety for the stalker among them.

"With Jesse Helms, there's no more of the club," if it ever really existed — he's made the place Darwinian," Sen. Paul E. Tsongas, Democrat of Massachusetts, said earlier this year when Sen. Helms, a tall, back-slapping man, was warming to his role as a conservative zealot and strategist enjoying majority power in the new Reagan era.

Last week, fresh from a victory in tightening the law on federal payment for abortions of women on welfare, Sen. Helms was midwifing the birth of another of his legislative babies, a ban on Justice Department involvement in school-bussing suits.

"Meanness in Senate"

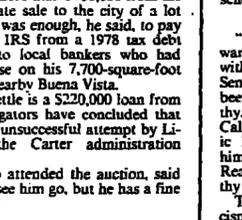
"Since Jesse Helms started his warfare against those who disagree with him, there's a meanness in the Senate now that I don't think has been since the days of Joe McCarthy," said Sen. Alan Cranston of California, the assistant Democratic leader. "Helms' tactics make him a kind of time bomb for Reagan. I think, the way McCarthy was for Eisenhower."

The mere utterance of such criticism bespeaks an erosion in the Senate's clubbiness, even if Sen. Helms' contrary view — that he is just a dedicated warrior finally winning a few battles and alarming the opposition in the process — is allowed.

And Sen. Helms responds, "I'm just a passenger on the train," referring to the Reagan juggernaut. But he may occasionally nudge the throttle, too, for he speaks to President Reagan every week, he says, and some of his tactics in opposing administration nominees in the name of fidelity to what he says are Mr. Reagan's true views have perplexed White House aides.

Sen. Helms' actions in his new role as chairman of the Agriculture Committee illustrate his special approach to politics. He often stresses ideological purity at the expense of compromise victories. Some of Sen. Helms' more extreme positions have served the president well, leaving Democrats more willing to retreat to Mr. Reagan's "moderate" cuts.

Sen. Helms has two impressive



Sen. Jesse Helms

sources of power. First, he holds a position of deepest respect in the conservative evangelical and political movement. "Basically," he says, "we're talking about faith in God vs. secular humanism."

Secondly, he has had enormous success in raising money through the direct-mail techniques polished in conservative causes. His instinct for folksy but high-powered public relations, honed through 12 years of Deep South radio and television editorializing as the "Voice of Free Enterprise" and a diarch critic of the civil-rights movement, gave him priceless entrée to small-dollar contributors. As the champion of the tobacco industry, he is not without big-bobby money, either.

Rich Re-Election Drive

In 1978, his organization ran the richest re-election drive in Senate history, spending more than \$7 million against weak opposition. Last year, the outfit raised more than \$4 million for Mr. Reagan, and applying the technique that fellow senators denounce as unsporting and mean, Sen. Helms turned his funding machine on several congressional and Senate incumbents seeking re-election as well.

Some senators complain that he attaches controversial riders on social issues to bills to build a roll-call record; that his cohorts flood the states of legislators who vote against him with fund-raising letters pegged to emotional issues.

Sen. Helms emphasizes that his efforts on social issues are hardly fruitless. He won on denying federal abortion funding to women on welfare who become pregnant through rape or incest; he is close to winning on his housing proposal.

"The business of the Senate is the clash of ideas and ideals," says Sen. Helms. "We should make substantial changes now unless we lose heart, and I don't intend to let that happen."

# Neighborhoods Balk at Moves to Shelter New York's Rising Number of Homeless

By Deirdre Carmody  
New York Times Service

NEW YORK — The problem of what to do about the increasing number of homeless and often mentally disturbed people who wander the New York City streets is reaching a crisis point as one community after another balks at the prospect of sheltering them, state and city officials say.

"If someone said to me what is the single greatest problem in New York City today, I would say there is no question that the homeless," said Sarah Connell, regional director of the state's Office of Mental Health.

A consent decree, stemming from a class-action suit filed in 1979 on behalf of the city's homeless men, is expected to be signed soon specifying that the city should provide shelter and board to each homeless person who applies for it. But many neighborhoods seem increasingly hostile to providing permanent or temporary shelters for the homeless, as some recent developments indicate.

The city, under court order to find more beds for homeless men, approached every community board in the city and could not find a neighborhood in any borough that was willing to accept a new 200-to-300-bed facility. The state has approved a plan for a new 450-bed shelter on the non-residential Wards Island in the East River.

A proposed assessment and referral center for former mental patients scheduled to be opened by the city in Manhattan has drawn vehement protests from residents of the immediate area.

People who live near the First Moravian Church at Lexington Avenue and East 30th Street in Manhattan asked the Board of Estimate not to renew a grant to the

church, which provides meals, counseling and other help to about 200 homeless people a day. On Thursday, the board voted to renew the grant despite the opposition of the local community board.

The Community Service Society of New York estimates that there are 36,000 homeless men and women in the city. What is of most concern is that the number seems to be increasing. No longer relegated to the Bowery and the shabby neighborhoods, the homeless are part of the fabric of the city.

"They are becoming the brunt of everybody's negative feelings, and they are presenting this society with one of its greatest challenges," said Mrs. Connell. "A society is really judged by how it takes care of its least desirable people, and we are not doing a very good job of it."

The growth is attributed to the tightening of eligibility restrictions for welfare, the loss of more than 25,000 rooms because of the closing of single-room-occupancy hotels, and stricter standards for admission to state psychiatric hospitals.

Also raising the numbers is a new phenomenon noticed in shelters around the country: the presence of men in their 20s and 30s, whom Mrs. Connell called "a new generation of urban nomads."

"What we know about them comes from the impression of our staff at the centers," said Stanley Hoffman, director of research and evaluation in the New York City regional branch of the Office of Mental Health. "They are relatively well-educated, relatively well-functioning, well-traveled, middle-class dropouts, who have learned to maneuver the system and who move around."

An indication of how passionate neighborhood feelings can become

is a letter to Mayor Edward I. Koch from Gertrude Huston, secretary of Community Board 5, who lives a few doors from the First Moravian Church and has been canvassing the area with city officials in an attempt to find another site for the program in a less residential neighborhood.

"A Disaster Area"

"Since the program opened, this has been a disaster area," she wrote. "Our brownstone steps, doorways and windows have been invaded by derelicts and bag people — and their urine and their feces. Some of us have been physically attacked by the more violent of the church's clients." She said all this was "not only disgusting and dangerous to our adult population, but we have young children living here as well."

The state and the city have a long-standing argument about whether it is more desirable to have large shelters to house the homeless, or smaller residences within communities.

The state's position is that these men and women are frightened, vulnerable people to whom even the most minor occurrence can be seen as a threat, and that they are overwhelmed by large institutions.

The city says, in effect, that it is unrealistic to believe that enough community acceptance can be found throughout the city to meet the need for smaller shelters. Also, officials say, large shelters are more economically feasible.

There are now about a dozen privately sponsored shelters throughout the city. The total annual cost for shelter operations, which is shared by the city and the state, is \$11.3 million. Virtually everyone agrees that these shelters do not begin to be enough for the numbers of homeless who need attention.

# Reagan Insider Out of Running For High Court

Washington Post Service

LOS ANGELES — A Reagan insider with judicial experience has withdrawn his name from consideration for the Supreme Court and a well-informed administration official said the White House "was looking hard" for a woman to fill the vacancy caused by the resignation of Justice Potter Stewart.

"I've made it clear I don't want to be considered for the high court," said William F. Clark, deputy secretary of state, who returned to Washington late last week after a two-week African trip.

He did not give a reason for his refusal but a White House official said Mr. Clark was "badly needed" in his current post, where he has been a buffer between Reagan aides and Secretary of State Alexander M. Haig Jr.

Mr. Clark served as Mr. Reagan's executive secretary when he was governor of California, was appointed by Mr. Reagan to a trial court and then was elected for another term to the same court.

An administration official said Friday that Elizabeth Hanford Dole, 44, a White House aide and the wife of Sen. Robert J. Dole, Republican from Kansas and the Finance Committee chairman, had emerged "high on the list" under consideration for the Stewart seat.

## IBERIA'S TIPS ON FLYING

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# Peru Quake Prediction Creating Scientific Tremors

By Jay Mathews  
Washington Post Service

LOS ANGELES — For the first time, a U.S. government scientist has attempted to make a precise prediction of a major earthquake, saying that a devastating series of tremors will begin in Peru in the next few days and end with the largest measured quake in history.

The prediction by Brian Brady, a mathematician with the U.S. Bureau of Mines in Denver, has created consternation among other earthquake scientists, who see little or no evidence for the prediction, to say nothing of the concern in Peru.

Seismologists have had little trouble debunking earthquake predictions by psychics and stock-market analysts, but Mr. Brady has a doctorate from the Colorado School of Mines and has done work in mathematics and physics at the Massachusetts Institute of Technology.

The National Earthquake Prediction Evaluation Council, created specifically to deal with Mr. Brady's prediction, has rejected his evidence as "speculative and vague." But the prediction has received widespread publicity in Peru and generated debate in earthquake-prone areas of the United States about how future predictions should be handled.

No U.S. scientist has ever successfully predicted a major earthquake. Mr. Brady said a quake of 5.5 magnitude on the Richter scale June 22 about 200 miles (320 kilometers) from Lima supported his prediction, but American earthquake experts in government and at universities do not agree.

9.9 Magnitude  
Mr. Brady made his prediction last year that an 8-magnitude quake greater than the temblor that hit San Francisco in 1906, would occur near Lima on or about June 28, 1981. This would be followed by a 9.2-magnitude quake on or about Aug. 10 and a 9.9-magnitude quake on or about Sept. 16, he said in a prediction that was supported at the time by William Spence, a geophysicist with the U.S. Geological Survey.

A quake of 9.9 magnitude on the Richter scale would exceed what is thought to be the most powerful quake ever recorded by modern instruments, a 9.5-magnitude quake in Chile in 1960 that caused 3,700 deaths.

Word of the prediction eventually caused such a sensation in Lima that the Peruvian government asked the U.S. Geological Survey for an official opinion. The National Earthquake Prediction Evaluation Council, composed of government and university experts, said on Jan. 27 that it was "unconvinced of the scientific validity of the Brady-Spence prediction."

Barry Raleigh, the geophysicist at the U.S. Geological Survey in Menlo Park, Calif., primarily responsible for earthquake-prediction efforts, served on the evaluation council and has been one of

the most outspoken in deriding Mr. Brady's prediction.

He said Mr. Brady had not given the council any detailed written equations supporting his prediction, and said some of Mr. Brady's previous research papers had contained errors. "That is not to say other scientists' papers don't have some errors, too," Mr. Raleigh added. "He's got qualifications; you can't discount them."

In a telephone interview from his office in Denver, Mr. Brady said he was sticking to his prediction. He complained that the council had not given him enough time to explain his theory. "There is no way anyone is going to evaluate an earthquake prediction in just five hours. That's absurd," Mr. Brady said, describing the council's January meeting.

James Rice, professor of theoretical and applied mechanics at Brown University and an adviser to the council, said he felt some parts of Mr. Brady's earlier published work on his "inclusion theory" were "simply mathematically wrong," Mr. Rice said Mr. Brady

had presented "a large series of slides covered with equations" at the council session but had not given members enough time to study them.

Mr. Brady's theory involves a complex analysis of the unusually severe stresses along the fault line running down the Pacific coast of South America. He said he had developed the mathematical model to predict quakes while analyzing ways to predict "rock bursts," small events like earthquakes that are caused by underground mining.

Support Withdrawn

Mr. Spence, 43, dissociated himself from Mr. Brady's prediction shortly after the January meeting with the council. He said the area around Lima is highly stressed and could conceivably produce a series of quakes of that magnitude there should be all kinds of indicators present, which he said he did not see.

Mr. Brady and Mr. Spence told the council they would withdraw the prediction if there was not a

substantial increase in the number of quakes of 4.5 magnitude in the area in May. An increase has occurred, Mr. Brady said, although the quakes were recorded only by scientists in Peru who have kept him in touch.

The Brady controversy has revived an old debate over the socially explosive issue of earthquake predictions, particularly now that U.S. scientists are attempting to construct a system to predict major earthquakes along the U.S. West Coast.

A federal report has said there is a greater-than-50-percent chance of a major quake along the southern San Andreas Fault in the next 30 years and estimated the death toll at 3,000 to 13,000 people.

Chinese authorities say they have predicted several earthquakes and saved thousands of people by evacuating buildings. There is evidence, however, that they have ordered evacuations in some instances where earthquakes did not occur.

Mr. Raleigh said that "we are not in a stage where we can

predict. We are trying some ideas out, but we need many more good observations." He described the process this way: "You have a match and you know there is a candle in the room somewhere, so there is a certain amount of groping around."

Precautions in Lima

LIMA (Reuters) — Hospitals and emergency services went on the alert here on the eve of the predicted earthquake. Hospital sources said as many patients as possible had been sent home to make beds available. Doctors and nurses were told to be prepared for an emergency.

"We are in a permanent state of alert," a civil-defense official said Saturday. The precautions were taken despite official appeals to the public to ignore the earthquake prediction made by Mr. Brady.

In a gesture to allay fears, U.S. Ambassador Edwin G. Corr told reporters that his elderly parents were visiting Lima as proof that the U.S. authorities were not taking the prediction seriously.

## Jews Selected for Torture, Argentine Activists Assert

New York Times Service

NEW YORK — The leaders of an Argentine human-rights group, Mothers of the Plaza de Mayo, say the Argentine government singles out Jewish political dissidents for especially cruel forms of torture and abuse.

In New York to accept a \$10,000 Truth and Freedom Award from the Rothko Chapel of Houston, the two representatives said that many relatives of Jews detained by the police had told them of interrogation sessions far more violent and prolonged than those experienced by other arrested dissidents.

"Many times, when the police find out that the family is Jewish, they treat them much more cruelly," said Hebe Pastor de Bonafini, president of the human-rights group. She said they had obtained the information from mothers and grandmothers of people taken away by the government and never returned.

Lapaco Family

Maria Adela de Antokoletz, the group's vice president, recalled a case four years ago in which the police searched the home of the Lapaco family in Buenos Aires. When they found shelves full of books by Jewish authors, the police questioned Carmen de Lapaco, the wife of a human-rights group leader. She explained that her dead husband, a well-known journalist in Argentina, had collected the books and that many of the authors were his friends.

"They realized then that her husband had been a Jew," Mrs. Antokoletz said.

Mrs. Lapaco and her daughter were then arrested. The police released the mother 48 hours later; the daughter has not been seen since.

"We all know, though we are not acquainted with him personally, that what Timerman says is the truth, because we have heard no less than 500 testimonies that say the same thing," Mrs. Bonafini said, referring to Jacobo Timerman, the exiled publisher who has said that Argentina imprisoned and tortured him for 2 1/2 years, in part because he was a Jew.

Both women disputed Argentina's contention that it had stopped political detentions in the last year and a half. The two women said 14 mothers had joined their group after saying that their children had disappeared this year.

"It is true there have been fewer disappearances this year," Mrs. Bonafini said, but "the threats, the kidnappings and the deaths continue."

Rothko Chapel

The Rothko Chapel of Houston, an ecumenical center for human-rights activities, has made awards of \$10,000 each to 12 human-rights groups. The center's money came from the late John de Meall, a Houston philanthropist, and his wife, Dominique. The center, which was designed by Mark Rothko, promotes human-rights activism around the world.

The two women plan to go to Washington next week to ask the Reagan administration for support. They declined to discuss their view of current U.S. human-rights

## Religion Stifled In Philippines, Cardinal Asserts

United Press International

MANILA — Philippine Cardinal Jaime Sin said there exists a "degenerate, finely orchestrated" government campaign to suppress freedom of religion in the Philippines.

The spiritual leader of the Philippines' 38.4-million Roman Catholics said on Saturday that events before, during and after the recent presidential election had forced him to draw such a conclusion.

The charge was made in a speech read to the Catholic Bishop's Conference of the Philippines by Bishop Leonardo Legaspi in Baguio, 160 miles (257 kilometers) north of the capital. The cardinal was in Manila recuperating from stomach surgery.

Cardinal Sin called the government's suppression of religious freedom a "problem of the most grievous proportions" and said that it "strikes me as a deliberate, finely orchestrated campaign by the state to throttle the freedom of the church to speak up on matters of Catholic morality."

The church leader said the government foiled every attempt by the church to discuss with its members the morality of voting. The opposition had called for a nationwide boycott of the June 16 presidential election.

policy. Mrs. Bonafini would say only, "Since they are human beings, when they hear us, they have to understand."

The Mothers of the Plaza de Mayo gather at 3:30 p.m. every Thursday at the Plaza de Mayo, a busy square in front of the govern-

## Coup Attempt Thwarted in Bolivia; Head of Army, Chief of Staff Held

United Press International

LA PAZ — The head of the Bolivian Army tried to overthrow President Luis Garcia Meza over the weekend but the short-lived coup attempt was crushed before either side could fire a shot. It was the fifth attempt in 11 months to oust Gen. Garcia Meza, who himself came to power in a military coup.

A military communique said army commander Gen. Humberto Cayoja and army chief-of-staff Gen. Lucio Anez had been arrested and would be tried for plotting the coup attempt.

Tanks and troops that Gen. Cayoja sent into the streets of La Paz before dawn later withdrew, replaced by soldiers loyal to Gen.

ment palace in Buenos Aires. They do not carry signs or chant slogans but stand quietly wearing scarves embrodered with the names of their children and the dates they disappeared.

At the news conference, the formation of the United States

Gen. Garcia Meza retains the job of president with the full backing of the armed forces and the people's general consensus," a government communique said.

The communique added that the persons involved in the rebellion had been removed from their posts and will be tried "in accordance with the armed forces law and military code." It did not say who, besides the two generals, may have been involved. However, in a brief radio broadcast while the attempted coup was in progress, Gen. Cayoja said he had received pledges of support for the coup from other cities.

Gen. Garcia Meza. No shots were fired, although there were reports of resistance in the interior.

## Gun Control Act in U.S. Gives Felons Chance to Regain Right to Bear Arms

By Douglas B. Weaver  
Washington Post Service

WASHINGTON — Russell Bootright, convicted of mail fraud in a little insurance-dividend check scam, served his time, re-established himself in his rural North Carolina town and set out to regain his rights as a citizen, including the right to bear arms.

So last year, he called 2,500 other convicted felons, he did the closest field office of the Treasury Department's Bureau of Alcohol, Tobacco and Firearms and applied for permission to buy a gun. Six months later, he got it.

"I don't even own a gun now, even after I got permission," Mr. Bootright said in a telephone interview. "I just felt it was a right I wanted. I live out in the country, and sometimes I might want to go plinking" (plinking is the sport of shooting holes in tin cans and such).

Former Vice President Spiro T. Agnew, who pleaded no contest to a tax-evasion charge in 1973 and resigned from office, was granted the same permission in 1974. He told reporters then that he needed a gun for personal protection.

Appeal Process

Both Mr. Bootright and Mr. Agnew were forbidden by the Federal Gun Control Act of 1968 from buying firearms because they had been convicted of felonies, crimes carrying a sentence of more than one year. However, the act also provides a way for such people to regain that right.

E. Howard Hunt, for example, is in the midst of the process. He was convicted in 1973 of conspiracy, burglary and illegal wiretapping for his role in the 1972 break-in at the Democratic National Committee headquarters in Washington. He was released from prison in 1977, and recently submitted his application to be allowed to own a gun.

It starts with a federal form, which must be filled out by anyone who wants to buy a gun legally. One question on the form is: "Have you been convicted in any court of a crime punishable by imprisonment for a term exceeding one year?"

If the answer is no, the sale proceeds and nobody checks to see if the answer is true. The forms are kept on file by the gun dealer, not the federal government, and become useful only after a gun is involved in a crime and its origin traced.

That means, of course, that a person convicted of a felony and who does not care about the possibility of a \$5,000 fine and five-year prison sentence for lying on the form can simply answer no and buy the gun.

Series of Interviews

If the answer is yes, however, the dealer cannot sell the gun until the bureau has investigated the applicant's case thoroughly and has granted approval. Agents interview friends, neighbors, employers, the local police chief and the individual, then make a recommendation. The file is forwarded to Washington for a final decision by the bureau's director.

head of the bureau's firearms enforcement branch. About half the 2,500 persons who apply annually are turned down, he said. Those who are approved get a letter from the government, and their names are printed in the Federal Register.

The process, mandated by Congress, requires the work of 45 of the bureau's 1,500 agents each year.

Most of the applicants, Mr. Shaffer and his colleagues said, want a gun to go hunting or, in some cases, for employment as a security guard. Most of those who receive approval have committed white-collar crimes, usually tax evasion. Persons convicted of drug-related crimes make up the second-largest category of applicants.

Follow-Up Study

"We get a lot of guys who were convicted of possession of two ounces of marijuana, and that's all he's ever done. He's been a churchgoer, pillar-of-the-community type," said Noel Haera, Mr.

## Using Anti-Terrorist Law, Police Rearrest Rightist Major in Spain

United Press International

MADRID — Using a new anti-terrorist law against the military for the first time, Spanish authorities have rearrested a rightist army major suspected of plotting terrorist acts against the government.

Defense Minister Alberto Oliart called the alleged conspiracy "a marginal thing" compared with the attempted coup by Civil Guard members on Feb. 23, but other of-

icials warned against taking the reported conspiracy lightly.

On Saturday, the Interior Ministry ordered Maj. Ricardo Saez de Ynestralza retained in custody "for crimes related to the formation of armed bands with civilian elements." Military authorities had released him earlier in the day after the maximum five days of detention allowed under military law.

Maj. Saez de Ynestralza was convicted two years ago of plotting against the state with Antonio Tejero Molina, the Civil Guard lieutenant colonel who led the assault on parliament in February.

The major, two colonels and two civilians were arrested Tuesday on suspicion of planning terrorist actions against the government.

Police discovered the alleged terrorist plot June 19, when they found explosives and coded government papers in the home of a member of the far-right New Force Youth Party who was injured by a bomb he planted in Madrid. Another army officer and five civilians have been detained for questioning.

Terry Fox, 22, Canada Runner, Dies of Cancer

The Associated Press

NEW WESTMINSTER, British Columbia — Terry Fox, 22, the one-legged runner who became a symbol of courage and hope in his fight against cancer, died Sunday.

His Marathon of Hope, an attempted coast-to-coast run, has so far raised about \$24 million for cancer research. Last summer Mr. Fox tried to run from Newfoundland to British Columbia. He was forced to abandon the marathon near Thunder Bay, Ontario, when the cancer spread to his lungs.

Canada had announced Thursday that it would issue a stamp commemorating his cross-country run, an honor usually granted posthumously or reserved for the living only if they are royalty.

Henry Glass  
NEW ORLEANS (UPI) — Henry "Booker T." Glass, 101, a pioneer of Dixieland jazz, died Thursday. Mr. Glass, a drummer, was one of the last musicians whose development predated the Dixieland style of the early 1900s. He originally played the saxophone and later acted as a band leader for the Olympia Brass Band. He retired in 1973 when his vision began to fail.

Spanish Church Forbids Divorce  
MADRID — The Spanish Bishops Conference has forbidden Roman Catholics from seeking a divorce although they are allowed to do so under a law passed by the Cortes (parliament) last week.

The law, which allows divorce by mutual consent and takes effect next month, reintroduces divorce more than 40 years after it was abolished by Franco.

"The Catholic faithful may not in conscience use the civil possibilities provided by the divorce law," the conference's standing committee said Saturday. "Those who do will put themselves in an irregular situation before God and the church."



DRIVING TEST — Student driver Antoinette Mopemagno probably will need a few more lessons before getting her license. She was slightly injured after losing control of a training vehicle in Little Silver, N.J. A policeman and her driving instructor inspected the damage.

## Rain, Floods Threaten Crops in Midwest

By Douglas E. Kneeland  
New York Times Service

LOWELL, Ind. — Last year Bill Lain was upset because he could not afford to buy an irrigation system to improve the yields of his drought-stricken corn and soybean crops here in Lake County. This year he is fretting about how to overcome losses caused by heavy rains and flooding.

For Mr. Lain, 33, who was named "Young Farmer of the Year" in Indiana last year, and for most other Midwestern farmers, the drought that has plagued much of the area for a year and a half is over.

In most of the midlands this is good news, but in many of the most productive farming counties of Illinois, Indiana and Ohio, the relentless rains of the last two months threaten a new disaster.

Much corn planting has been delayed past the time that would allow the crop to be harvested before the fall frosts. In many areas the fields have been too wet for farmers to use heavy equipment to plant a substitute soybean crop. And in other regions rains have washed out or severely damaged many acres of corn and soybeans already planted.

All three problems have struck Lake County in northwestern Indiana. Last summer, it was one of 16 Indiana counties that the federal government designated as drought disaster areas, allowing farmers who had suffered severe losses to qualify for low-interest emergency loans.

The irony is not lost on Mr. Lain as he surveys the 900 acres of

corn, 450 acres of soybeans and 60 acres of wheat that he had planted with his partner, Gerald Little. They estimate that much of the wheat and about half the corn and soybeans have been lost because of rains and flooding from overflowing drainage ditches that run through their property to the swollen Kankakee River.

"I really wanted to buy an irrigation system," Mr. Lain said. "But that's about \$120,000 and I couldn't justify going out and borrowing that much more money." With a nod toward the water standing in one of his ruined fields, he added, "The way things turned out, I'm just as glad I didn't buy one."

In Washington, the Department of Agriculture is to disclose Monday its latest estimate on the amount of acreage planted nationally in various crops, and on Tuesday it will give its projections for supply, demand and carry-over at the end of the crop year. And officials have conceded privately that they are watching the weather in the Corn Belt with apprehension.

In Chicago, Conrad Leslie, a private crop forecaster, said that "abnormal rains and temperatures to the moment suggest United States corn supplies a year from

now may be at an unusually low level."

"On June 15 there was still about 5 million acres of corn to plant," he said, "as compared to a normal 100-percent completion. This suggests the possibility then that we'll have below-normal yields on that late-planted acreage. In addition, some of the early-planted Missouri, Illinois, Indiana and Ohio acreage has been flooded out."

Mr. Leslie said the total corn acreage might slip as much as 2 million below the 74 million acres that the Agriculture Department estimated in March would be harvested in the fall. At an average of 100 bushels an acre, he noted, the total harvest would be 7.2 billion bushels. "Consumption this season, with limitations on Soviet purchases, will be about 7.5 billion bushels," he said.

In western Iowa and Nebraska, climatologists report a shortage of moisture, but agricultural officials are so far not expressing alarm about the overall crop outlook in either state.

Despite recent floods in the Great Bend area in western Kansas that did considerable local damage to wheat, the state reports that crops are progressing well. And in Missouri, higher-than-normal rainfall in most parts of the state has relieved last year's drought problems.

But in Ohio, three western farming counties, Putnam, Wyandot and Hancock, have been declared federal disaster areas. And the entire state of Indiana has been declared an agricultural disaster area.

## Temblor in Yugoslavia

The Associated Press

TRIESTE — Two moderately strong earth tremors jolted the quake-prone area near the Italian-Yugoslav border on Sunday, the Trieste Seismological Observatory reported.



# Oil and Money in the Eighties

A CONFERENCE SPONSORED BY THE INTERNATIONAL HERALD TRIBUNE AND THE OIL DAILY LONDON, SEPTEMBER 28 & 29, 1981

Sheikh Ahmed Zaki Yamani, Minister of Petroleum and Mineral Resources, Saudi Arabia, will be the keynote speaker at the second International Herald Tribune/Oil Daily conference on "Oil and Money in the Eighties," to be held September 28 and 29 at the Royal Garden Hotel in London.

James B. Edwards, U.S. Secretary of Energy, will open the second day of this international meeting with an address on the Reagan administration energy policy.

Designed to help senior executives involved in energy, finance and closely related fields to determine their business strategies for the 1980's, this two-day working conference will include major sessions on the following subjects:

- the supply-demand outlook
- how to finance future oil production
- the impact of politics on future oil flows
- alternative energy resources.

A panel format will be used extensively to stimulate exchange among all participants and produce fresh insight and recommendations on what must be done now. Speakers will include:

- Nordine Ait-Laoussine, Director, The International Energy Development Corporation, Geneva, and former Vice-President of Sonatrach
- James Akins, former U.S. Ambassador to Saudi Arabia

- Jane Carter, Head of Conservation, U.K. Department of Energy
- Arthur Eschenlauer, Senior Vice President, Morgan Guaranty Trust Company of New York, New York
- Paul Frankel, President, Petroleum Economics Ltd., London
- Herman Franssen, Chief Economist, International Energy Agency, Paris
- Ralf Roger Jakisch, Managing Director, Ruhrkohle International GmbH, Essen
- John Lichtblau, Executive Director, Petroleum Industry Research Foundation, New York
- Francisco Parra, Executive Director, International Energy Development Corporation, Geneva
- Malcolm Peebles, Director, Finance and Planning, Shell International Gas Ltd., London
- Jean-Jacques Servan-Schreiber, author of "The World Challenge"
- George J. Stathakis, Vice President and General Manager, International Trading and Construction Division, General Electric Company, Westport, Conn.
- William P. Tavoulareas, President, Mobil Oil Corporation, New York.

To register for this timely international conference, simply complete and return the registration form below.

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**CONFERENCE REGISTRATION**

Please enroll the following participant for the IHT/Oil Daily Conference, September 28 and 29. 29-6-81

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Fees are payable in advance of the conference. Each participant: £375 or the equivalent. This includes all refreshments, lunches, and post-conference documentation. Fees will be returned in full for any cancellation that is postmarked on or before September 11.

Please invoice  Check enclosed

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France. Tel.: 747-12-65 extension 301.

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Reservations must be received no later than September 18, and accompanied by a check for the first night.

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Ms. Liz Jackson, Reservation Department,  
Royal Garden Hotel, London W8 4PT, England.  
Reference: Energy Conference.

كلمات الصل



Chinese Foreign Minister Huang Hua and Indian Prime Minister Indira Gandhi met with reporters in New Delhi after a discussion of ways to resolve the issues dividing the two nations.

### India, China Agree to Work to Resolve Border Dispute and Normalize Relations

**The Associated Press**  
**NEW DELHI** — India and China agreed Sunday to negotiate an early solution to their 20-year border dispute and to seek to normalize their long-strained relations. The decisions were announced at the end of a three-day visit by Huang Hua, the Chinese deputy premier and foreign minister. Mr. Huang met Sunday with Prime Minister Indira Gandhi of India. Mrs. Gandhi and Mr. Huang both called his trip a success. It was the first visit to India by a senior Peking leader since before the Chinese-Indian border war of 1962. "The agreement is that we should talk about it," Mrs. Gandhi said when reporters asked her if her 70-minute meeting with Mr. Huang had produced agreement on the border question. "China 'Positive'" At a final meeting between Mr. Huang and P.V.N. Rao, the Indian minister for external affairs, it was tentatively decided that an Indian delegation would open normalization talks in Peking in September, an Indian official disclosed. Mr. Huang told reporters that on the border question China would "take a positive attitude and explore ways and means to handle and settle it." Both sides made clear that actual bargaining had not yet begun on closing the wide gap on the border question and that neither had offered any specific compromises. But they expressed determination not to let the unresolved frontier dispute continue to block cooperation between the countries in other areas. Mrs. Gandhi said the border question had been discussed but there had been "no specific proposal from the Chinese side to resolve it." She said she stood by recent statements that Indian interests must be preserved. But she also

### China to Publish Selected Works By Liu Shaoqi

**The Associated Press**  
**PEKING** — Selected writings of Liu Shaoqi, the former president of China who died in disgrace in prison in 1969, will be published this year, the Chinese news agency has reported. Mr. Liu was exonerated and given a state funeral last year. The agency said his works recorded "his outstanding contributions to the formation and development of Mao Tse-tung's thought, the Chinese Communist Party's guiding ideology." Mr. Liu was dismissed and imprisoned during the Cultural Revolution. The news agency said the party Central Committee's editorial committee on party literature was compiling a selection of Mr. Liu's works on China's workers' movement, work in Nationalist-held areas, party building and other subjects.

### Pro-Taiwan Leaflets Fill Mail From U.S. to Peking

**By Michael Parks**  
**Los Angeles Times Service**  
**PEKING** — Leaflets denouncing Communism, the Chinese leadership and recent improvements in Chinese-U.S. relations are being inserted into much of the mail received here from the United States, but Chinese and U.S. postal authorities say they are not certain who is responsible. The Chinese Ministry of Posts and Telecommunications suspects that agents of Taiwan based in Hong Kong may be the culprits, and accuses them of trying to poison Peking's ties with other countries. But U.S. postal inspectors speculate that Peking itself may be where the leaflets are being inserted since most mail from the United States does not normally go through Hong Kong on its way here. Several recent leaflets — generally mimeographed, 9-by-12-inch sheets filled with closely written Chinese characters — have praised the Nationalist regime on Taiwan and urged mainlanders to overthrow the Communists and adopt the Nationalist political, economic and social system. Other leaflets have objected to

## Thai Coup Plotter Returns From Exile After 80 Days

**The Associated Press**  
**BANGKOK** — A Thai military leader who went into exile after his unsuccessful coup attempt almost three months ago has returned to a hero's welcome typical of the Thai tradition of compromise after internal military confrontations. When his attempt to seize power was crushed and a warrant was issued for his arrest, Lt. Gen. Sant Chitpatima made his way across Thailand's rugged western border into Burma.

### Shift in Cabinet Seen as Boost To Heng Samrin

**United Press International**  
**BANGKOK** — Cambodia has announced a new government, changing the form of administration, but offering little new in the leadership lineup, according to observers. Heng Samrin, a former general installed as president when Vietnamese-led forces ousted Pol Pot and his Khmer Rouge from power in Phnom Penh in 1979, retains the same title, but with new powers. Pen Sovanna, head of the People's Revolutionary (Communist) Party, was named president of the council of ministers, or premier, heading the Cabinet. Heng Samrin, as president of the council of state, becomes chief of state under a recently promulgated constitution. The council is technically superior to the Pen Sovanna Cabinet. But in his double-barreled role as head of the Cabinet and party chief, Pen Sovanna holds the final power. Before Saturday's action by the 117-member National Assembly, the presidency had been a purely titular role, in which Heng Samrin chaired government meetings. Under terms of the new presidency, Heng Samrin and his council of state give orders to the Cabinet. But Pen Sovanna's party is what the constitution calls the "leading organ" in the country, laying down policies. The new appointments were made Saturday at the end of the assembly's first four-day session since being elected May 1.

### Belgian Police Arrest Rightists

**The Associated Press**  
**DIKSMUIDE, Belgium** — About 100 persons, most of them extreme rightists, were arrested by police here during the weekend for disturbing the peace after a meeting of neo-Fascist groups from several European countries. Neo-Fascists gather here annually on the eve of the Yser Pilgrimage during which Flemish-speaking Belgium pays homage to the Flemings who died on the banks of the Yser River during World War I. The pilgrimage to a war memorial attracted 35,000 persons on Sunday. The event has become the focal point of Flemish pride but is increasingly marred by disturbances because of the presence of the rightists, organizers said.

### Vienna Protest Urges Demilitarized Europe

**Reuters**  
**VIENNA** — About 2,000 young people took part in a pacifist march for a demilitarized Europe. Police said there were no incidents. The demonstrators protested Saturday against arms exports, stationing new missiles in Europe and U.S. involvement in El Salvador. They also called for the removal of Soviet SS-20 missiles in East Europe and the withdrawal of Soviet troops from Afghanistan.

with military coups, which were usually followed by a policy of leniency. The only violent aftermath was the execution of an insurrection leader, Gen. Chalard Hiranyasiri, in March, 1977, by the hard-line regime of former Premier Thanin Kraivichien. "Usually, abortive coup leaders elsewhere either meet a violent death or have a choice of living in exile," a Thai politician said. "But Thailand is perhaps one of the very few countries where a rebel can continue life as if nothing had happened." Gen. Sant, who is still a member of the Thai Senate, attended a legislative session Friday. He was greeted by members of parliament, which he had dismissed by decree during the coup attempt. Gen. Sant told reporters he had come to thank parliament for making it possible for him to return home through a royal amnesty. Thailand's King Bhumiphol Adulyadej last month announced an amnesty for 52 coup participants who had surrendered. Gen. Prem later proposed a bill to parliament seeking amnesty for all coup plotters, citing "national unity" as one of the reasons for his decision. Upon his return, Gen. Sant was welcomed by student groups who thanked him for the coup manifesto. It reflected general anxieties of Thailand's laboring and educated classes — condemning press restrictions, crime, drug use and erosion of traditional Thai values.

### Drastic Action

The extension angered Gen. Sant and other young military officers. They took their drastic action because they saw Gen. Prem's move as hindering efforts to create a democratic system free from military power-seekers. Several of Gen. Sant's fellow plotters are now in the monkhood, some have started working on their memoirs, while others have announced intentions to make a political comeback. Gen. Sant says he has no plans for the future.



Lt. Gen. Sant Chitpatima

"I knew I would come back to Thailand one day because I did everything with good intention," he said. "But during my days as a refugee in Burma, I did not write anything down. I don't want to remember anything. I have forgotten everything."

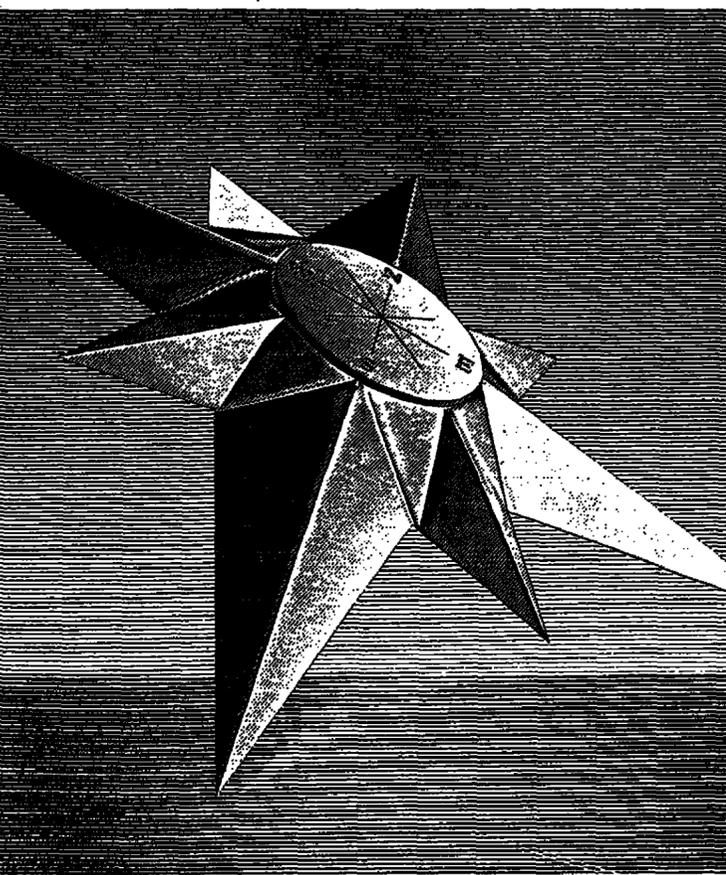
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# GREECE

## New Image Sought for Shipping Industry

*Special to the IHT*  
**A**THENS — Since its accession to the European Economic Community on Jan. 1, Greece has been trying to improve the image of its large shipping industry as well as to defend its interests in the context of the Community's common shipping policy.

The Greek-owned fleet, the largest in the world with 3,870 vessels totaling 50.4 million tons gross (41.6 million tons of which is registered under Greek flag) has never been renowned for its high safety standards or the youth of its vessels. But recently both the Ministry of Merchant Marine and the Un-

ion of Greek Shipowners (UGS) have been trying to set the record straight on what they believe to be unjustified, biased and often unfair criticism.

The first steps were taken earlier this year by the UGS, whose delegations to the EEC authorities in Luxembourg and Strasbourg emphasized its views on various shipping issues including safety, the role of cross-traders and anti-pollution measures.

The addition of the Greek fleet to the EEC tonnage gave the community a boost, bringing to 26.4 percent its share of the total world tonnage. It also gave a new flavor to Community shipping discussions, since Greece, unlike other member countries with the exception of Britain, is almost totally engaged in cross-trading. Nevertheless, the Greeks feel that their tonnage complements rather than competes with the rest of the Community's shipping industries, and have been incensed at the criticisms of their fleet.

Aristomenis Karageorgis, the UGS president, said, "It's true that we don't have a fleet which was built yesterday. On the basis of sheer numbers alone, Greece is bound to have more older ships than other countries. In part this reflects the lack of depreciation allowances that would encourage the purchase of new ships. But it also reflects the social structure of the Greek shipping industry, which because of its fragmented ownership is different from that of any other EEC nation."

The union's statistics, presented to the Euro-parliament, show that at the end of 1980 more than 63 percent of the Greek fleet was

made up of ships not more than 14 years old. Of these, 13.6 percent were ships up to 5 years old, 22.3 percent ships from 5 to 10 years and 27.2 percent ships between 10 and 14 years. According to the minister of merchant marine, Ioannis Fikioris, in fact, Greece has more ships less than 10 years old than any Community country except Britain.

As far as safety is concerned, the Greeks have reacted sharply to recent criticisms, such as that by British opposition shipping spokesman Stanley Clinton Davis, who said that Greece "would lower EEC standards."

Mr. Fikioris pointed out that the type of trading engaged in by most Greek vessels — 95 percent of the Greek tonnage is tramp — is the field in which ships are most susceptible to damage. The Union has also pointed out that statistics refer to total losses and do not differentiate between real total losses and constructive total losses, where the cost of repairing exceeds the insured value of a vessel. The union adds that, all things being equal, fleets with more old ships will have more constructive total losses because of the vessels' lower value.

### Foreign Exchange

Shipping remains Greece's top foreign exchange earner, substantially helping to alleviate the country's balance of payments deficit. Last year, Greek shipowners agreed to dump up an extra billion dollars, pushing the "invisible" earnings from the industry to more than \$2 billion. And this year the industry, which directly or indirectly supports about one-twelfth

of the Greek population, is expected to bring an estimated \$2.5 billion into Greek coffers.

Given their important role in the economy, Greece's shipowners clearly intend to have their say in the formulation of a common EEC shipping policy. While the other Community countries' fleets have dwindled in the last two decades, Greece's tonnage has doubled, and the Greek owners are not about to be pushed into abandoning their tried and tested recipes for success.

Mr. Fikioris recently backed their criticism of the Unctad liner code, which calls for a cargo sharing system that gives 40 percent of goods transport to the country of origin, 40 percent to the recipient country and leaves only 20 percent for cross-traders. "The Greek mercantile marine is against protective measures in shipping and especially those by which cargo guarantees are made in favor of a specific flag," he said. "In general, Greece opposes every agreement by which the participation right of cross-traders in transport, and more specifically in bulk transports, is prevented."

In the meantime, long-plagued by the tag of "fly-by-night" operators, the Greeks are struggling to improve their overall image. Greek owners are now solidly behind proposed safety regulations and anti-pollution measures, and last year the country became a founder-member of the International Maritime Bureau — a type of marine Interpol to fight maritime fraud.

The Shipowners' Union, which represents 2,100 of the 2,600 Greek owners, is also pushing for bilateral crew accords with Asian shipping unions.

## Greek Tycoon

**A**THENS — Unlike the late Aristotele Onassis, he shuns the press and the public. He lives between Athens, Geneva and Jidda, moves around in a private jet and runs his business empire like a naval college, under the guidance of retired Greek Navy admirals.

His name comes up frequently when big business deals are discussed in Greece and much of the Middle East. And in "The Shipowners," a current-running satire on Greek tycoons by playwright Dimitris Kollatos, now showing in Patission, the "Broadway" of Athens, shipowner and oil magnate John Spiros Latsis, 71, way of Athens, shipowner and oil magnate John Spiros Latsis, 71, tops the list, coming under fire through much of the play because of the influence he is said to enjoy within the inner circles ruling Greece, of the way he is reported to have built up his fortune and because of his controversial backing of the 1967-to-1974 military junta.

John Latsis is the new Greek tycoon. He has overshadowed the Onassis, Niarchos and Goulandris. True, he made his debut in the Middle East in the 1950s by providing shipping for Moslem pilgrims. But it was under the junta that he signed his first big deal: to build Greece's third oil refinery, a 195,000-barrel-a-day plant at Elefsis, in the Athens vicinity.

Mr. Latsis won the contract for the \$121-million plant over oil and tanker magnate Stavros Niarchos and Aristotele Onassis. The colonels, it was said, had rewarded their staunchest supporter, for Mr. Latsis had been making lavish contributions to their pet projects, including the building of a new cathedral in Athens.

Since then, however, Mr. Latsis has played a significant role in helping Greek relations with Arab oil producers in the Middle East, good enough to have so far spared Greece the hardships of oil embargoes and cuts in supplies of crude. He is known to have established an unusually good relationship with key personalities in the Saudi government and royal family. Last August, he won a \$2.6-billion contract to build and run an oil refinery in Rabigh, Saudi Arabia.

Mr. Latsis owns Petrola International, a group that includes shipping lines, shippers, construction companies and refineries. He is often seen in Jidda on his yacht, the Margarita, Petrola's floating Saudi headquarters, dressed in seafaring cap, blazer, white trousers and sneakers.

A veil of secrecy is drawn over his business empire. Occasionally, some light is shed on the more daring of his operations. One example was a plan, eventually shelved, to buy a refinery in Canada and tow it to Saudi Arabia.

Mr. Latsis' approach to doing business is reminiscent of U.S. oil magnates at their most abrasive. However, his taste for the unusual — and risky — deal has won him respect in the industry's establishment.

He brought off one such deal at the height of the Lebanese conflict, in 1976. Saudi Arabia had promised to deliver oil to the troubled port of Sidon, and approached major oil and shipping companies to freight the supplies.

After assessing the risks of entering Lebanese waters with a tanker loaded with fuel and gasoline, the major companies refused. At this point, Mr. Latsis offered to do the job for no more than its cost and, to drive the point home, personally sailed with the tanker on its voyage to Sidon.

One day in 1979, after touring Mr. Niarchos' new \$3-million yacht, Mr. Latsis reportedly took out his checkbook, bought the ship on the spot for twice its value and a few days later gave it to King Khalid of Saudi Arabia.

— GERARD CASTORIADES

## Voters Focusing on Possible Political Shift

(Continued from Page 7S)

to deal with," an internationally known Greek businessman said.

A trade unionist with pro-Pasok sympathies said, "Pasok has promised so much that afterward there will inevitably be disappointment." He added that the party lacked technicians with real political stature. "They could use around 400 mini-Papandreou," he said, particularly to deal with the better-organized hard-line Communists, the KKE. The KKE, Greece's third-largest party, is expected to increase its share of the vote from its current 9.7 percent.

Both critics and well-wishers also believe that after an electoral victory Pasok could find itself suffering from internal strains. Not all observers would agree with Mr. Rallis' recent statement that Mr. Papandreou "cannot control his party's fanatical left wing." But

there is no doubt that the party's supporters and sympathizers include both diehard Marxists and liberals closer to the Greek centrist tradition who, once the party is in power, could find coexistence difficult.

In addition, observers believe that Pasok's need for the support of the centrists, thought to make up the bulk of Greece's floating vote and its undecided voters, may account for a recent moderation in Mr. Papandreou's rhetoric.

He still insists that Greece's recent accession to the EEC "exacerbates the country's crucial economic problems" but says that he would leave the final decision to a popular referendum. And he has toned down his anti-U.S. and anti-NATO stance, making it clear that whatever happens he will not take steps that would damage the pre-

paredness levels of the armed forces.

Like many Greeks, Mr. Papandreou appears convinced that the major threat to Greece comes from Turkey. The obsession with Turkey that runs through Greek foreign policy, combined with past resentment of the NATO allies for their failure to intervene and stop the 1974 Turkish invasion of Cyprus, makes Mr. Papandreou's long-standing opposition to NATO membership a popular motif in Greece. Nevertheless, a party militant said earlier this month, the election campaign will focus on domestic issues and not on foreign policy.

Some observers believe that the decision to play down the NATO issue reflects Mr. Papandreou's realization that if elected he will have some thorny foreign policy problems to deal with. Complex

negotiations with the United States for a new defense cooperation agreement broke down on June 18, meaning that the status of the four U.S. bases in Greece will have to be renegotiated by the government after the elections.

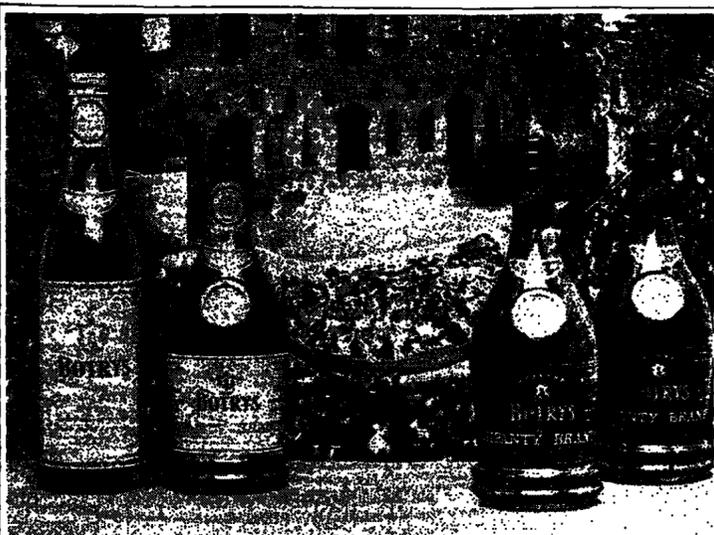
Last fall, concessions by both Greece and Turkey resulted in the former's reintegration into the NATO military wing, which Greece left in 1974 in protest over the Turkish invasion of Cyprus. But this left the problems of the bases, which are still operating under the terms of a 1953 agreement despite the fact that that accord was recognized as outdated when a new agreement, initiated but never ratified, was reached in 1977. The negotiations reportedly broke down over the question of a "one-time" bonus list of sophisticated equipment that the United States felt it could not give.

He brought off one such deal at the height of the Lebanese conflict, in 1976. Saudi Arabia had promised to deliver oil to the troubled port of Sidon, and approached major oil and shipping companies to freight the supplies.

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— GERARD CASTORIADES



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**PUBLIC POWER CORPORATION**  
**Details concerning the Energy situation in Greece**  
 MAY, 1981.

**OUTLINE OF THE EXISTING ENERGY SITUATION**

Our country's Energy needs are covered by the following three primary sources of supply:  
 — Liquid Fuel,  
 — Solid Fuel, and  
 — Hydrodynamic Energy.

The total consumption of primary forms of Energy is currently covered by 25% from local resources (Lignite and Waterfalls), and by 75% from imported Energy mainly comprised of Liquid Fuel.

Approximately 36% of the total consumption is utilized for electricity production, which is obtained by about 45% from Lignite, by 16% from Hydrodynamic Potential, and by 36% from Petrol. A very small proportion, about 3%, was obtained through connections with the distribution networks of neighbouring countries.

Energy (in all its forms, i.e. Liquid Fuel, Electricity, Gas), as made available today for consumption, is absorbed 43% by Industry. 27% by the means of Transportation, while 30% is used for domestic and other purposes.

**ROLE OF PUBLIC POWER CORPORATION**

The developments which occurred over the last few years, led, as expected, to a re-arrangement of aims and objects of the entire economic policy of Greece. As far as the Energy policy is concerned, the basic objects—the pressing objects one could say—are the following:

1. Utilization up to the highest possible degree for the local Energy resources;
2. Research and effort to obtain new local Energy resources;
3. Proper use of Energy, avoidance of waste, appropriate methods of selection.

The Public Power Corporation, in its capacity as the responsible State Agency for the production, transportation and distribution of electric Energy, has undertaken the main task of implementing these objects. This is aimed at not only through the planning and execution of the appropriate Energy projects, but also through a program for the development of new Energy sources, cooperating for these works with other appropriate Agencies, according to requirements.

Utilization of local Energy sources is in progress along with the implementation of the P.P.C. Program for the execution of Lignite and Hydroelectric works to the extent permitted by the confirmed Lignite deposits and the recognized Hydrodynamic potentials.

However, the research for, and efforts to obtain, new local Energy sources, is the object of an intensive program processed by the Public Power Corporation in cooperation with State Organizations (e.g. the Institute for Geophysical Studies), Designers/Cooperators (Hydrodynamic field), or Foreign Special Advisers (in the Geothermic field).

**ENERGY BALANCE 1980**  
 (In million of tons equivalent to Petrol)

	Mill. Tons Petrol Equiv.	%
<b>A. Primary Form Consumption</b>		
1. Local Production	4.0	24.7
2. Net Importation	12.2	75.3
3. Total Consumption	16.2	100.0
<b>B. Electricity Production</b>		
4. From Solid Fuel	2.63	44.5
5. From Liquid Fuel	2.13	36.1
6. From Hydroelectric Energy	0.97	16.4
7. Importation of Electric Energy	0.17	3.0
8. Total	5.90	100.0
9. Ratio (8) to (3)		36.4

**P.P.C. PROGRAM**

In accordance with the Energy policy followed in Greece, in the procedure for the selection of new production plants, emphasis is placed on the need for the utilization of local Energy sources, which are essentially Lignite and Waterfalls. For the decade 1980-90, the existing Lignite deposits justify the installation of new plants, which are expected to cover, in conjunction with Hydroelectric Stations, the increasing need of Energy, substituting at the same time the Energy production from Petrol.

Considering that by the above-mentioned program, and on the basis of the existing known Lignite deposits, the possibility of establishing additional Lignite units is completed. Greece, in order to meet its long-term needs for electric Energy, is compelled to have recourse, with effect from the end of the decade in question, to Atomic Energy and Coal importation.

It is therefore to be noted that towards the end of the ten-year period 1980-90, in the network system the Electric Energy to be produced from Petrol will be restricted to about 2%, whereas the local resources will contribute 86% of the total consumption.

No doubt, the forthcoming years will not be free from difficulties. A lot of work and a lot of money will be required in order to accomplish the program outlined. Which will attain, almost entirely, the elimination of the Petrol "stress" connected with Electric Energy production.

# GREECE

## Rallis Keeps Cool Amid Rising Uncertainty

**A**THERNS — A politically passionate people, Greeks tend to be excited. But seated in his air-conditioned, wood-paneled office in the Greek Parliament building in central Athens, Premier George Rallis, 62, is the picture of steadiness and calm.

Outside, despite the early summer heat, the mood is one of impending change. Many Greeks appear convinced that, after the elections next fall, Andreas Papandreu's Panhellenic Socialist Movement will replace the New Democracy party, which has led the nation for seven years.

But the premier seems decidedly optimistic. As the third premier in as many generations of the Rallis family and with 30 years of political activity to his credit, he no doubt has a gift for political gloss in his blood. But the calm and optimism, tempered by an unusual — and refreshing — tendency toward honesty, are clearly genuine.

Inevitably, he said, after years in office his party is bound to have disappointed a certain number of voters, and the "myth of change" that has developed could certainly prove damaging. But New Democracy, he believes, is still likely to come out on top — not only because it will probably absorb a large part of the votes (7 percent) that in 1977 went to the far right National Front, as well as some centrist support, but because, the premier insists, in recent months there has been some real improvement.

### Development Plan

In his view, a regional economic development plan is responsible for a halt in the rural depopulation that in recent years has made Athens the home of about 40 per-

cent of Greeks. Current statistics, he believes, indicate a possible economic recovery and a slowdown in inflation. And although he was pessimistic about the possibilities that agreement could be reached now with the United States on a new bases agreement (talks were officially suspended on June 18), he feels that his government will have made clear its defense of the Greek national interest.

Eager to woo support from both the center and the left, the Socialist leader — whose party is strongly anti-NATO — has, Mr. Rallis said, been avoiding the issue, "wrapping it in cotton wool so you

don't get at it until you've unwrapped 20 different boxes." He said that he would challenge Mr. Papandreu on this, questioning the emphasis that the latter gives to the so-called Mitterrand effect, when in fact the new French president is clearly "more pro-Western than Giscard" (former President Valery Giscard d'Estaing, defeated by Mr. Mitterrand).

Some Greeks would challenge Mr. Rallis' arguments: Chances of economic improvement in the coming months are slim, the bases issue could prove a boomerang and the premier's recent tour through Thrace was marked by

poor turnouts that contrasted sharply with Mr. Papandreu's crowds during a similar tour.

But Mr. Rallis' optimism may also reflect changes within his party. A year ago, the former lawyer, a strong opponent of the 1967-1974 military dictatorship, was elected party leader over Defense Minister Evangelos Averoff by a narrow margin of 88-84. Although he had previously held several important ministries, he was thought likely to be constantly overshadowed by the strong-willed departing premier and current president, Constantine Caramanlis.

— SARI GILBERT

## ATHENS FESTIVAL 1981



## 'Gateway to Heaven' Has Some Problems

**M**OUNT ATHOS — Mount Athos, or the Holy Mountain, as the Greeks call it, is one of the world's oldest Christian communities and the only one with an unbroken history today.

Dating to the seventh century, the community of monks and hermits is struggling to remain a bastion of Christianity. Yet its 1,400 residents face their hardships with the confidence that they are God's select few, guarding what they call "the gateway to heaven."

The autonomous monastic community, covering about 225 square miles in an isolated mountainous and forested peninsula of northern Greece, is beset with problems. These include internal dissension; financial worries; deterioration of the community's art treasures through theft, decay, earthquakes and fires; unchecked incursions of tourists and, not the least annoying, the presence of women, who still sail within sight of the monasteries and sometimes land illegally on the shores.

### Contentment for West

Since the first hermits — fleeing religious persecution — founded their "Garden of God" in the seventh century, the colony has experienced both splendor and decay. Lavish support from both the Byzantine emperors and foreign royalty raised it to a peak of 180 monasteries and cloisters sheltering more than 10,000 monks at the end of the 11th century. Yet it also suffered from the upheavals of the surrounding world, and was frequently plundered by armies.

After the split between the Western and Eastern Christian churches, Athos also often found

itself in disfavor because of its fanatic refusal to reunite with the Latin West. An attitude of contempt for the Western Christian churches, seen as heretical and corrupt, persists today.

The most pressing problem is material survival — how to maintain the remaining 20 main monasteries and the 1,700 auxiliary buildings. There are 300,000 square feet of frescoes, 20,000 icons, 13,500 Greek manuscripts and a vast collection of relics and treasures.

The Greek government, which has political jurisdiction over Mount Athos, gives the monks about \$300,000 annually for their basic needs, but this is hardly sufficient. Monks resort to subsistence farming, timber-trading and rent from properties outside Mount Athos.

A main hope comes from a \$1-million grant being considered by the European Economic Community, to be used for restoration, within the framework of regional development support for Greece.

Another problem is the community's replenishment, although a drive for recruits has been encouraged. A Salonika University report shows that the number of monks has risen to 1,400 from a low of 1,146 in 1972. Most are Greek, although 20 percent are of Russian, Bulgarian, Romanian or Serbian origin and there is a sprinkling of West Europeans and Americans. The average age is 49, down from 61 a decade ago.

The community's political philosophy is anti-Communist, anti-Vatican and in general critical of the more open-minded Greek church and government. The Holy



A Mt. Athos monastery perched on cliff edge.

Council, a governing body of 20 annually elected abbots, has repeatedly protested religious persecution in the Soviet Union. It has also been critical of Greece's membership in the EEC and its recent establishment of diplomatic ties with the Vatican.

Mount Athos softened its opposition to EEC membership after Community officials visited the Holy Mountain and assured it that its special status would not be touched by Brussels. Such a provision was incorporated in the Greece-EEC Treaty of Accession.

### 'Orthodoxy or Death'

The monks are also internally politicized. The Zealots, a hardcore group of about 300 monks with a slogan of "Orthodoxy or Death," regard the other monks as impure in their Orthodox faith. In the last two years, police have been called in on several occasions to

deal with skirmishes between Zealots and moderates in their tussle for control of monasteries.

Religious experts say that the Zealots feel threatened by the new recruits, who for the most part have more "European" ideas such as advocating practical good-deed functions instead of concentrating on Orthodox mysticism.

Despite the problems, the Mount Athos elders are confident. French-educated Vasilios Gountikakis, the abbot of the 10th-century Stavronikita monastery, explains that Mount Athos provides society with a means of raising the individual out of his misery to higher spiritual levels. "For the monks, we are a runway, a gateway to heaven," he said. "For the rest of the world, we are a lighthouse, battered by the waves but still lighting the way, as we have done for centuries."

— PAUL ANASTASI

## Level of Crime Remains Among the Lowest in the Western World

(Continued from Page 7S)

firebombings of several large Athens department stores have been greeted with shock, horror and almost disbelief.

"This is not Greek behavior," an Athenian politician said after two firebombings in central Athens recently.

In general, in fact, Greeks find violent crime so disturbing that they appear to take solace from the belief that foreigners have been responsible. Thus, many Athenians appeared willing, if not eager, to believe a communique claiming responsibility for the firebombings by the "Greek branch" of the Italian Red Brigades although the latter group apparently has not participated in or organized terrorist acts outside Italy. Nevertheless, in

discussing crime, sociologists and criminologists list high among the factors responsible for its gradual increase the growing number of foreigners who visit or pass through Greece.

According to U.S. anthropologist Peter S. Allen, the low crime rate in Greece as a whole and, in particular, in overcrowded Athens (which now houses almost 40 percent of the country's population), is one of several elements indicating that postwar urbanization has on the whole been a remarkable success.

Most sociologists in Greece seem to believe that a major factor explaining the low crime rate is the role of the family and the significant "social control" exercised both by the family and, more gen-

erally, by the network of community or neighborhood social relations.

For example, criminologist C.D. Spinelli said, juvenile delinquency in Greece, although slightly on the rise in recent years, is limited, even for a country with a population of only 10 million. In 1979, only 4,497 cases involving children under 17 — a slight drop from the 1978 figure — were adjudicated.

Dr. Spinelli, a professor at Athens Law School, believes that the characteristics of Greece's *gemeinschaft*, or community-oriented society — cultural homogeneity, a functioning system of intricate in-group relations and strong *philotimo*, or love of honor — act as deterrents to violent crime.

She points out that more than 40

percent of the crimes committed in 1979 were traffic or market violations. Crimes against persons, which have declined during the last decade, represented only 13.2 percent (plus 3.8 percent for crimes of honor or passion). And despite a revolution of rising expectations nurtured by television and film as well as by tourists and returning emigrants, crimes against property represented only 4.5 percent of the whole.

According to sociologist Jane Lambrini, crime has remained low because to a large extent the population movement from country to cities has been accompanied by a transfer of village values. "When people move to Athens they generally come to join relatives or friends. This way the social con-

trols of the village exercised by family members, friends and even shopkeepers are reproduced in city neighborhoods," she said.

Other reasons are Athens' generally good housing, its relatively high standard of living and a hidden economy that along with significant economic development has kept unemployment levels lower than in many other major urban centers, Mr. Allen said.

A warning note is that rapid social change is bound to have negative effects. "As urbanization continues," Dr. Spinelli said, "there is bound to be some breakdown of traditional family relations and a consequent increase in the anonymity of city life."

— SARI GILBERT

# ASSETS: \$ 13.8 BILLION\*



## A Pillar of the Greek Economy

The National Bank of Greece is the largest banking institution in the S.E. Mediterranean. It ranks among the fifty biggest banks in the EEC. It controls a group of 25 companies - in banking, insurance, industry and tourism - which are among the largest and most profitable in the land.

The National Bank itself has 373 branches in Greece and 28 branches and offices abroad. It also controls 4 banking institutions abroad (with 15 branches) and 5 banking institutions at home. In 1980, deposits reached \$10.7 billion and almost 60% of banking transactions in Greece were conducted by the National Bank of Greece.

Doing business in Greece means doing business with the National Bank of Greece.

\* 1980 - consolidated figures

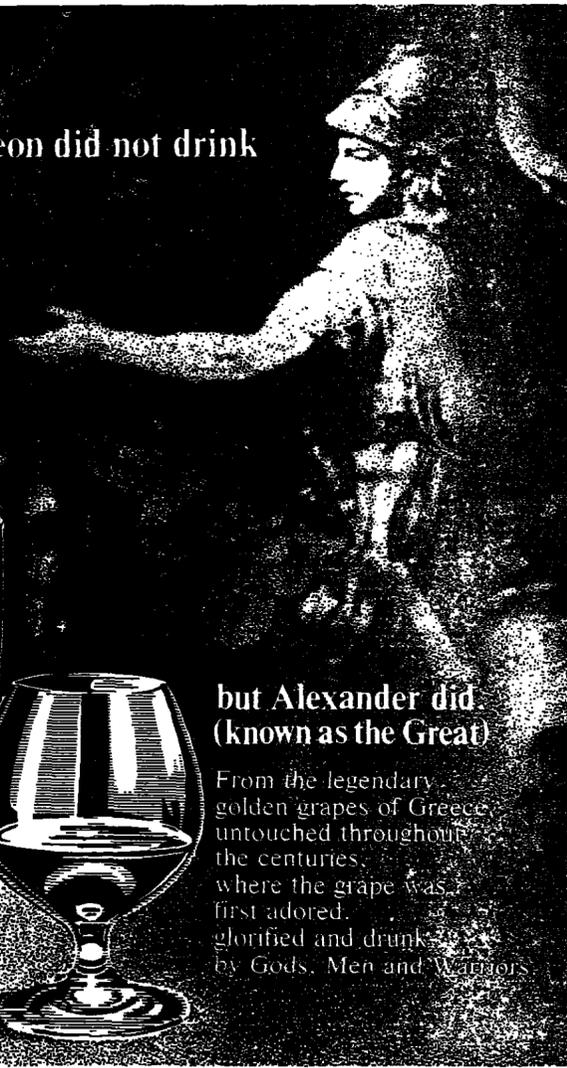


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# METAXA the Greek classic



The Agricultural Insurance Organization (OGA) is a vanguard-type Organization both by reason of its structure and mode of operation. It is responsible for social and insurance protection granted to the rural population of Greece through a series of allowances paid in the fields of "old-age pension", "health", "agricultural production insurance" and "family allowances".

OGA is unique in its kind, all over Europe, mainly because of the fact that with a personnel of barely 360, OGA covers, for insurance, almost 25% of the Greek farming population. This is achieved through a special, simplified organizational system which presents no similarities with the classic insurance systems found in both Greece and Europe.

**Widely Extended Activity**

OGA covers a wide field in the agricultural sector of the Greek economy:

- A) Old-age pensions paid to about 500,000 old people (men and women) and to about 100,000 invalids, i.e. people disabled as a result of accident, illness, or even invalids born as such.
  - B) Health care provided to insured individuals, as well as to members of their families, without extra charge. About 300,000 persons are admitted to hospitals every year at OGA expense.
  - C) Insurance coverage provided to all Greek farmers, by insuring their production from damage due to local weather disasters (hail, frost, storm, floods).
  - D) Payment - on behalf of the Ministry of Social Services - of family allowances to all multi-member families, rural and urban.
- To realize this wide social insurance plan, OGA spends many billions of drachmas every year. During 1981, it is estimated that a 32 billion drachmas sum (approximately) will be spent by OGA as detailed below:
- 65% for old-age pensions;
  - 21% for medical care, in addition to amounts spent by the Ministry of Social Services for the Medical Centers, Rural Clinics and Rural Medical Personnel;
  - 11% for indemnities connected with agricultural production;
  - 3% for all other situations as well as administrative expenses.

**Up-to-date Methods of Operation**

To carry out its large-scale activities, OGA implements a particular system of operation.

**First:** It makes use of simplified, anti-bureaucratic methods for ascertaining, allotting and paying all allowances. OGA is comprised of an organized Central Service, staff-like and simple. It also uses up-to-date electronic and computer methods as well as efficient organizational systems, i.e. the standardization of supporting documents, the method used in liquidation of allowances, in following up insurance changes, payment warrants, etc.

**Second:** It has adopted an original "decentralizing" administrative structure which enables it to cooperate directly with about 6,500 Secretaries of Municipalities and Communities throughout Greece.

It is worth noting that: OGA does not collect any individual contributions. It is a characteristic fact that, for 1980, 78% (approximately) of OGA expenditures were met through social funds and subsidies and only 22% (approximately) originated from the farmer's own participation.

**OGA Contribution to Agricultural Development**

Concerning the OGA contribution to the general endeavors of Greek agriculture, we should refer, in particular, to the Insurance of the Agricultural Production as an institution which is founded on a systematic and successful basis. Although it started operating only in 1963, its levels are most satisfactory. Its positive differentiation from European institutions is to be found in the fact that OGA covers more risks and products and provides increased coverage. In Greece, the insurance procedure operates on a state-basis while in other Common Market countries it is assumed by private enterprise or union initiative.

Common agricultural policy in the field, particularly of common agricultural structures, is fundamentally based on two poles: common organization of agricultural markets and the tracing of a uniform line in agricultural structures. The aim set is both to ensure for the European consumer abundant, varied, and low-priced agricultural products for his day-to-day needs and to make the farmer enjoy a satisfactory, constantly improved and, to a great extent, warranted income.

Insurance coverage, at average standard prices, by areas of production and movement of agricultural products, contributes in a decisive manner to guaranteeing an agricultural income.

It is certain that, following our association with the Common Market, the Greek farmer will become a "small-to-medium" businessman, exactly as the case is with his counterparts of the European Common Market countries. OGA contribution, by its original character and within the limits of its possibilities, to this nationally important effort deployed, both in the social and economic fields.

# GREECE

## Readers Scarce, but Newspapers Abound

**A**THENS — The newsstands in Athens are vaguely reminiscent of Christmas trees. Often topped with pagoda-like awnings, they offer a vast selection of cookies, nuts and candies. But their festive air depends largely on the unending tiers of local and foreign magazines. Also flapping in the breeze, with headlines that cry out for the passer-by's attention, are the front pages of a surprisingly large number of daily newspapers.

In a country with a population of almost 10 million, more than 85 percent of which is literate, the daily newspaper readership — about 80 per 1,000 people — is one of the lowest in Western Europe. Nevertheless, about 85 newspapers appear daily. And at a time when many U.S. cities have been left with only one or two morning papers, Athens has 14 daily papers, with three more reportedly planned in coming months.

With a total circulation in the Athens-Piraeus area of no more than 725,000, the newspapers are not money-makers. Most are said to be dependent not only on the tax-free newspaper provided by the government but on state-guaran-

teed loans for the most part financed by Greece's large public banks.

But the newspapers are not in business for the money anyway. "Greek papers don't exist even to inform, but rather to propagate ideas," said a leading Athens editor. He described Greek dailies and their readers as forming a sort of "tribal system" that most people in Greece both want and expect.

**Political Line**

Of the 14 nationally sold newspapers currently printed in Athens, only two, Rizospastis and Avgi, are official party organs — respectively, of the hard-line Communist and the Eurocommunist parties. But almost all the others have a clearly defined political line or affiliation, ranging from far-right and monarchist to conservative pro-government, liberal or leftist.

Athens News Agency chief George Anastasopoulos said, "Be-

cause of Greek tradition, people here feel that every shade of opinion must be expressed." Since the fall of the seven-year military dictatorship in 1974, the Athens press

has exploded in an orgy of freedom that some would define as license. Its characteristics, in fact, have been sensationalism, extreme politicization and, in the case of the opposition papers, strong antagonism toward the New Democracy government.

Foreign observers point out that, by the journalistic standards of many countries, the results have been disappointing. For the most part, the news columns of the Greek press are as politicized as the editorial pages. According to a veteran foreign newsman, a lack of objectivity and a sensationalist outlook combine to make it just about the most irresponsible press in Western Europe.

Several Athens morning papers, like the independent Kathimerini and the pro-Socialist To Vima, make a stab at more complete and objective news coverage, observers say, but the more sensationalist afternoon papers do considerably better in terms of circulation. To Vima has a circulation of about 25,000 while the afternoon sister paper, Ta Nea, reportedly sells more than 130,000.

An experienced Athens editor ascribes this morning-afternoon imbalance to the fact that Greeks do not eat breakfast and rush off to work too early to read a morning daily. The preference for the

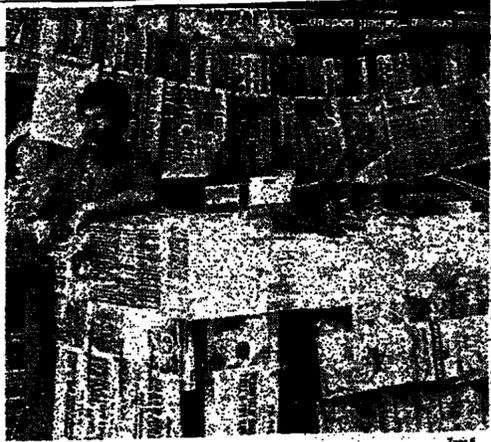
afternoon papers, he adds, may also be a throwback to pre-1974 days, when surveillance of neighborhood newsstands by government informers, in an attempt to keep track of many people's reading habits, made it safer to buy a paper in central Athens later in the day.

But the preference for sensationalism must be in part a question of taste. "Generally, Greek newspapers devote their efforts to telling a particular constituency what it wants no matter what the facts are," a Western diplomat said. An example is the questionable success, by Greek standards, of a new afternoon paper called Avriani, which began publishing 15 months ago and quickly became Greece's fourth-largest daily.

**Scandal-Mongering**

Part of the paper's success comes from its use of money-back coupons to sell at five drachmas, about 12 cents, or a third of the regulated government price. It can afford to do this because it uses nonunion printers and journalists as well as modern, fast rotary presses and computerized typesetting.

But Avriani has also specialized in scandal-mongering, training its sights on top government personalities in a way that most Greek



Athens kiosk: 85 papers appear daily.

papers, despite their apparent aggressiveness, generally try to avoid. Earlier this year, the paper's publishers, George and Makis Kouris, were sentenced for maligning first President Constantine Caramanlis and then the businesswoman-wife of Premier George Kallias.

Whatever its faults, observers point out that the press provides the only forum in Greece for real political debate. In a departure from most Western practice, one of two state-run television channels, Yened, is run by the armed forces information service and with government announcements regular boosts for the military. The other channel, ERT, is a

state monopoly under the authority of the Ministry for Information. Opposition groups claim that they are given inadequate coverage, and that the station gives extensive coverage to government politicians while limiting reportage of "infelicitous" events.

An Athens newspaper editor said that an Information Ministry directive limited coverage of the inauguration of Socialist French President Francois Mitterrand to one and a half minutes. And other important news events have often taken second place to footage of ribbon-cuttings or to the ceremonial activities of President Caramanlis. —SARI GILBERT

## EEC Entry Brings Economic Uncertainty

(Continued from Page 75)

1981 is not expected to exceed 2 percent. As for government optimism that the inflation rate can be reduced to 19 percent by the end of the year, a high-ranking official admitted that this was doubtful.

Unchecked public spending is as great a source of inflation as the growing costs of oil imports, he said, adding that "in an election year it is far easier to incur deficits than to cut them."

The economy does have some bright spots. Although the official figure of 3 percent is thought to be low, unemployment has been kept in check. And, because of slow growth and high "invisibles," the balance of payments deficit of \$2.2 billion this year — has remained manageable enough to give Greece an excellent international credit rating. According to a Western diplomat, potential foreign investors ought to be attracted both by the current political stability and growth levels that, despite the slowdown, are higher than the EEC average.

But much of the government's optimism regarding the EEC stems from the fact that the industrial sector appears to have survived the long period of association, during which 68 percent of customs duties were gradually removed. A five-year transition to remove the remaining 32 percent, Mr. Paleocrassas said, is bound to cushion Greek industry from increased European competition.

The steelmakers disagree. Already forced to reduce capacity by the domestic recession, they are now required by EEC policy to cut output by an additional 25 percent. They are also angry with the government for waiving its right to phase out protective tariffs in this sector in favor of an immediate 50-percent tariff cut. This will encourage steel imports and is likely to force significant changes in the local industry's structure.

This incident struck a warning note for other manufacturers. With a few exceptions — basic metals, cement, tobacco, textiles and chemicals — many Greek enterprises are believed not to be geared to deal successfully with international competition. Some observers say that such companies could be forced out of business or led

eventually to become subsidiaries of foreign firms.

There is widespread agreement, on the other hand, that for agriculture, and consequently for farmers, membership in the EEC will be a plus. Along with taking pressure off the Greek budget, subsidies from the common agricultural fund will raise Greek farmers' incomes by guaranteeing them minimum prices for products like olive oil, lamb, sugar, cereals and wine.

**First Subsidies**

Earlier this month, for example, Agriculture Minister Athanasios Canellopoulos announced that the first subsidies had started arriving. Olive oil producers will receive \$2.15 billion for the 300,000 tons produced this year, and wine producers will get \$950 million. The subsidies will be increased gradually every year so that the current \$7.19 per kilogram of olive oil will rise to \$36 by 1985-1986.

Although the high rate of inflation in recent years may have closed much of the gap, Greek food prices must be harmonized with those of the EEC. The accession agreement consequently provides for a transition of five years, extended to seven years in the case of some products like tomatoes, peaches and fish.

Government spokesmen insist that there will be few problems because, they say, Greek agriculture is complementary with that of the EEC rather than competitive. Nevertheless, some difficulties can be expected.

With about one-fourth of the labor force employed in the sector, Greek agriculture is significantly less modernized than that elsewhere in Europe. Even more worrisome is the farmland's extreme fragmentation, which, according to Athanasios Papeleas, the governor of the Agricultural Bank, is the sector's most serious structural problem. According to a 1978 study, the average size of the 1 million or so farms today is still only five hectares, against 17.5 hectares in the EEC as a whole.

**'Manna From Heaven'**

According to Mr. Papeleas, abundant rhetoric from all sides has kept farmers from being adequately informed about the significance of membership in the Common Market. "The tendency has been to expect manna from heaven, without realizing that efforts must be made to improve current marketing conditions," he said, adding, however, that he thought membership would prove to be a

stimulus because it will reward agriculture's most efficient units.

One of the main worries about EEC membership has been the effect on food prices, originally expected to rise by as much as 14 percent. Now, according to Mr. Papeleas, price increases for food will probably not exceed 2 percent.

Furthermore, according to Mr. Paleocrassas, the major cause of price increases is still the country's extremely inefficient distribution system, which has a large number of retail outlets, and of profit-hungry middlemen. A surge in the prices of some foodstuffs — particularly meat — in the weeks following accession was attributed to speculation by wholesalers. The government took prompt action, but in general has acted in accordance with the EEC's free-market principles, moving in recent months to abolish a long-standing and complex system of price controls.

**Drachma Policy**

Membership in the Common Market has also led the government to take steps toward establishing the full convertibility of the drachma, which since the end of 1980, when an interbank foreign exchange market began operating in Athens, has been quoted in Paris. Earlier this month, Mr. Paleocrassas said he believed that the drachma was already strong enough for Greece to join the European Monetary System, but that this would be put off until early 1982 when all foreign exchange controls are to be removed.

Like many other Greek officials, Mr. Paleocrassas stressed that EEC membership would also lead to a reform of the antiquated banking system. In fact, action has been taken to begin unifying the scores of different interest rates that are thought to have helped stifle investment and the development of a healthy capital market.

According to Mr. Papeleas, this type of action is probably what the economy most needs. "We have come to a point where further development was impossible without institutional reform," he said, adding that recent moves in this direction — for example, a new law on economic cooperatives — indicate that the long-term effect of the Common Market would inevitably be positive.

"The Common Market will leave us with greater efficiency and productivity," he said, adding that this was the proper medicine for what is "basically a healthy economy suffering from a bad cold." —SARI GILBERT



Greece belongs, actually, to the Common Market. Several public services endeavor to "modernize" their activities and the mentality of the Greek people with those of the European Common Market Countries. The Labour Manpower Employment Organization (known as OAED) is the competent agent for the modernization of technical and professional training, as well as of the fields which deal with "assimilation" of Greek labour with their colleagues of "United Europe".

In particular, OAED activities aim to assist the working parties in 4 main fields:

**Professional Orientation**

With this service — which has branches in all the Greek urban centers — the OAED assists young people in selecting the profession that suits them best, whilst demand for it is satisfactory, in the area of their domicile; said young people do not have to face, then, the problem of unemployment. Recently, OAED has founded a new "Professional Orientation Center" in Athens, for young people to be duly informed; such Center is by all means up-to-date, and rivaling with the European same.

**Professional and Technical Training**

OAED provides the opportunity for technical and professional training to a major part of Greek Labour Manpower. In particular, it trains non-qualified labour and technicians in Greece, from ages 18 to 46, in technical trades. Thus, it assists thousands of Greek working parties, which face problems by reason of low wages, so that they obtain considerably higher remunerations, and improve their social situation. Trainees do not pay fees, but during their training (which lasts 6 to 9 months) they are being paid by the wages provided for "non-qualified" workers — technicians, being also insured without having to bear any charge, themselves, in that respect.

At the same time, OAED is absorbing (through its Schools and Centers) a large number of young people (ages 14-20) who cannot follow University courses. Our OAED Schools and Centers are scattered throughout Greece, and they supply the whole area with thousands of qualified workers.

**Finding jobs**

Thanks to its local Departments — which operate through out the Country — OAED provides jobs for a large number of unemployed persons. The latter remain unemployed, as a result of various emergencies (such as floods, earthquakes etc.). Also, OAED issues special allowances for children and parties joining the Armed Forces, for military service.

Further, OAED is keen on developments, improvements and modernization. It founds new Local Services of Employment, and new educational Centers and Schools, whilst it modernizes its educational programs, bringing them to the level of European Common Market Countries.

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# GREECE

## Tourism's 1981 Start Disappointing, but Officials Are Sanguine

**Special to the NYT**  
**ATHENS** — Despite a disappointing start this year, Greek tourism officials are optimistic that the total of almost 5.3 million foreign visitors last year will be matched. At the same time, prospects have brightened for a larger influx of well-heeled travelers.

But the atmosphere of uncertainty that prevails in the tourism industry worldwide has made itself felt in Greece. The number of tourists jumped sharply at Easter, but a monthlong strike by technicians of Olympic Airways, the national carrier, cut into early summer arrivals.

"Because of the world economic situation, it's hard to make any kind of forecast for this sector. But we do expect perhaps a 20-percent increase in American and possibly a 3-percent increase in British tourists this year," said Prof. George Daskalakis, president of both the Greek national tourist organization (EOT) and the permanent tourism commission of the Organization for Economic Cooperation and Development. "We should exceed last year's \$1.78 billion income from tourism, but we don't know by how much," he said.

### 'Selective Destination'

Arrivals during the first quarter of 1981 fell by 20 percent compared with last year, but the April total jumped by 22 percent, an indication that the continuing

strength of both the dollar and the pound sterling has encouraged Anglo-Saxon visitors, long the mainstay of tourism in Greece.

Prof. Daskalakis said that Greece is now fully developed for tourism, and rates as an expensive country to visit — "what we call a selective tourist destination." The result is an increase in quality tourism, which Greece has sought for years.

The growth area for up-market travel seems to lie in marine tourism, which brought in a record \$30 million in foreign exchange last year. In cooperation with the Ministry of Merchant Marine, EOT has embarked on a costly plan to improve marinas and construct new ones to create a chain of yacht facilities through the islands.

With more than 2,000 islands whose anchorages range from green, wooded inlets in the Ionian sea to the rocky beaches of the central Aegean, and a six-and-a-half month sailing season, Greece has some of the world's most sought-after cruising waters. "Our great advantages over the Caribbean are our unique ruins and the diversity of our islands," yacht broker and charterer Harry Tzalas said.

Of about 1,300 vessels available for charter in Greece, most are sailing boats less than 50 feet in length, or caiques, traditional Greek fishing boats. There are only a few truly luxurious yachts, which are always in demand.

Both the "bare boats," chartered



Valuable asset: Tourists visiting the Acropolis.

to experienced sailors without a crew, and the caiques, which can sleep up to 30 passengers, are fairly Spartan. "We have enough of these, but more and more clients are asking for a tycoon's floating palace, which costs upward of \$1,000 a day to charter," Mr. Tzalas said.

Cruise ships, both Greek and foreign, have long exploited the Aegean's combination of history, varied islands and brilliant blue water, but the cruise boom of the 1970s has leveled off, and no in-

crease is expected this season from the total of 100,000 passengers sailing out of Greek ports last year. Increased fuel costs and wage increases for crews have cut profit margins for the owners. Now, cruise operators seek special-interest cruises and even shipboard conferences to keep up passenger levels. They have also extended itineraries to Turkish, Israeli and even Red Sea ports.

"Cruising remains romantic, and we have people coming back year after year on different ships.

But the outlook is growing increasingly uncertain," said George Potamianos of Epirotiki lines, owners of Greece's largest cruise fleet.

One problem is that many Greek cruise ships are past their prime and owners are reluctant to build new vessels as the chances of recovering the outlay lessen. Conversion costs are prohibitive, Mr. Potamianos said.

### Flotilla Cruise

During the last three years, a trend in marine tourism has emerged: the flotilla cruise. Inexperienced yachtsmen sail in up to 12 small boats through a group of islands following a motorized main ship, which communicates by walkie-talkie and also serves as the galley. "It's what you might call the package tour version of yachting," said Nick Tsangalakis, a charterer who also operates a flotilla.

Introduced from the Caribbean, flotilla sailing is probably the most economical yachting vacation that can be found in the Aegean. About 25 fleets operate out of the island harbors within easy reach of Greece's international airports, cruising on pre-arranged courses for 10 days, leaving a few days free for independent sailing within call of the main ship.

The other side of quality tourism in Greece is winter vacationing, either on the ski slopes of Mount Parnassus, or in the mild climate of southerly islands like Rhodes and Crete.

## Victory by Socialists Would Put Caramanlis in a Bind

By Paul Anastasi

**ATHENS** — With a Socialist victory increasingly considered a possibility in national elections next fall, many Greeks are focusing their attention on the role that President Constantine Caramanlis could play in the nation's political future.

Mr. Caramanlis, Greece's most prominent and respected conservative politician, became president a year ago after stepping down as premier and leader of the ruling New Democracy party. Should the Socialists come to power, he will find himself called upon to act as an impartial arbitrator between his natural allies and his onetime bitter political foes.

So far, the 74-year-old president has successfully avoided involvement in pre-electoral skirmishing between George Rallis, his successor as premier and the ruling party's leader, and Socialist leader Andreas Papandreu. But in the event of a Socialist victory, Mr.

Caramanlis' political skills and his use of his substantial presidential powers will either reinforce his image as the guardian of national stability or, as some opposition spokesmen fear, lead to an unprecedented political conflict.

Following his return to Greece in 1974 after the fall of the seven-year military dictatorship, Mr. Caramanlis won widespread recognition from friend and foe alike as the creator of a rare period of Greek political stability and economic progress.

He holds the European postwar record for his total of 14 years as premier and head of five elected governments. After the fall of the junta he won praise not only for re-establishing parliamentary rule but for legalizing the Communist Party and introducing other democratic reforms.

For some Greeks, however, his conduct of the presidency in the event of a Socialist victory would represent the supreme test. The president has let it be known that

he considers it his duty to assure that the country has a stable government and political tranquility. But the possibility that neither of the two major Greek parties might win sufficient support to permit the continuation of majority government is likely to enhance his role.

Two key issues on which the president and the Socialist leader could easily clash if Pasok, the Socialist party, came to power, are the European Economic Community and NATO. In the past, the Socialists have expressed doubts about the EEC and they favor withdrawing from NATO. But despite the risk to his own political stature in the event of a defeat, the president, sources say, would be inclined to use his constitutional right of referendum to prevent an upset in the Western commitments that he has always advocated. Such a step would create an unprecedented tussle over power between the president and the premier.

The Greek president's powers,

midway between the powerful French presidency and the largely ceremonial West German position, have been a point of discussion since the adoption of the 1975 Greek constitution. That document describes the president as "regulator of the regime," a sort of referee or arbitrator over the political process.

But the Greek opposition has always strongly condemned what has come to be known as the "presidential superpowers," even though the true scope is still largely a matter of interpretation. The constitution specifies that most of the president's decisions are to be made in consultation with the Council of the Republic, a body composed of former presidents and premiers, as well as with the ruling premier and opposition leader.

But the president can dissolve Parliament and call elections should he find that the elected body is in "obvious disharmony" with public sentiment. In the event

that neither of the two major parties succeeds in forming a government, he has the power to call on other candidates, even from outside the Parliament. Finally, he can resort to a referendum or reject a government's call for a referendum if he considers this to be in the national interest.

Mr. Caramanlis and many other Greeks feel that such provisions do not give the president excessive powers. But critics point out that, if disputes over the use of presidential powers have not arisen, this is largely because the first president under the new constitution, Constantine Tsatsos, was personally chosen by Mr. Caramanlis and made a point of keeping a low political profile.

The policy views of President Caramanlis and Premier Rallis are almost identical, whereas the potential strains that might result from a Pasok victory would be similar to those between a French president and a French parliament with a hostile majority.

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# GREECE

## The Plaka: Athens Planners Attempting to Turn Back the Clock

**A**THENS — When George Plytas was a little boy, the ancient Plaka neighborhood of Athens where he lived was a quiet residential area of narrow streets, tree-shaded *plateias*, or squares, and the two- or three-story neoclassical buildings constructed by Greeks after Athens became the newly independent country's capital in the 1830s.

Today Mr. Plytas heads the year-old Ministry for Housing, Planning and Environment. Backed by a staff of committed architects and city planners, he is trying to turn the clock back a bit with a plan to restore and clean up an area whose architectural and cultural integrity in recent years has been seriously threatened.

It is not going to be easy. Erasing the 20th century altogether is impossible, particularly in a country that is economically dependent on tourism. And commercial and political interests strongly resist a project that is intended, in Mr. Plytas' words, "to show what old Athens looked like and what Greek life used to be."

**Wine Barrels**  
In the days when Mr. Plytas was young, the Plaka — a settlement at least 3,000 years old that nestles in the shadow of the Acropolis — was a tranquil place where local residents, shopkeepers and artisans would often meet in the late afternoon in a quiet  *taverna*  for a glass of wine.

The wine was kept in large barrels, and Mr. Plytas remembers how everyone in the neighborhood turned out when, at the end of the summer, horse-drawn carts bring-

ing the new wine arrived and  *taverna*  owners and wine sellers dragged their own barrels out in the streets for refills. In late October or early November, when the wine had aged, a local festival was held. There was drinking, music and singing, but the atmosphere in no way resembled that created in recent years by blaring discotheques, tourist-trap nightclubs, and flashy storefronts and restaurants that the ministry is working to change or even remove.

A project begun under Stefanos Manos, the former deputy minister of public works who for all intents and purposes was Mr. Plytas' predecessor, decided through a detailed study of the area's 1,100 plots what buildings — about 42 percent — are to be preserved and restored, and set up rigorous specifications for rebuilding or changing the others. (Mr. Manos is now industry and energy minister.)

For millennia, the commercial, intellectual and political center of old Athens, this 35-hectare area of low, red-roofed buildings has — in one form or another — survived the onslaughts of history: the Persian Wars, the waves of invasions. But in recent decades the Plaka — which took its name from the large stone slab the Turks used in the 16th century to separate the neighborhood from the city's other seven administrative districts — has had other enemies to fight.

One, a problem for all of Athens, was the introduction of reinforced concrete into construction techniques in the 1930s, which led builders to destroy the old and replace it with the characterless new.

Another was the long-standing, single-minded obsession of archaeologists and classicists with Greece's antiquities. Until the 1950s, for example, the need to preserve the later architectural heritage had been almost ignored. And there were repeated requests by archaeologists, in part successful, to have sections of the Plaka removed in the quest for more of the ancient ruins.

That compulsion seems finally to have subsided. A few years ago, a plan to remove the early 19th-century houses of the small settlement known as  *Anafiotika* , after the stonemasons from the island of Anafi who migrated there about 150 years ago, raised such an outcry that it was indefinitely postponed.

Tucked up high under the north wall of the ancient fortifications surrounding the Acropolis, the cluster of the  *Anafiotika*  houses is like a miniature time warp. One-story homes with whitewashed walls and red-tile roofs are divided by narrow, winding walkways. Old men in pajamas sit outdoors on ramshackle walls, elderly women dressed in black converse with neighbors, canaries sing from between the wooden bars of makeshift cages while the somewhat cooler Athens air carries the inviting smell of  *dolmades* , stuffed vine leaves.

For the most part, in fact,  *Anafiotika*  has been spared the Plaka's greatest scourge, the pressure of commerce and tourism. Only a few hundred meters away are streets where the buildings' original facades have been almost

masked by rows of mass-produced tourist clothing and souvenirs.

Even worse are the entertainment places. Innumerable  *tavernas* , each with blaring music, seek to entice the prospective foreign diner. Large neon signs broadcast the names of nightclub entertainers, one corner club with open doors features a sultry looking belly dancer, and there are also sex shops — magnets for pimps and drug dealers — the overall effect providing a brutal contrast with the simple wooden shutters and wrought-iron balconies of the original neo-classical buildings.

According to government architect Ketty Gartzos, the Plaka's problems have been caused largely by its location. Caught between the Acropolis and the commercial center of modern Athens, it has come under pressure.

The result has been the intrusion of office and apartment buildings, particularly on the area's periphery. A lack of investment capital for home improvement led over the years to the deterioration of many of the older houses and a consequent decline in the local population. But the real exodus — from 17,500 residents in 1961 to a low of 4,500 a decade later — came about in the late 1960s and early 1970s.

At that time, the mayor of the neighboring port of Piraeus decided to clean up his town and all the honky-tonk and vice-oriented elements moved to the Plaka, where property values and rents were low. The resulting noise and environmental change led many residents to leave.

The government's program seeks to change all this. Cars have been banned from at least half the Plaka streets, which are gradually being repaved in pedestrian-mall style. The Ministry of Culture has bought about 20 buildings that it plans to restore, while elsewhere, building regulations are being applied with increasing rigorously to keep down the noise, and to persuade entertainment and restaurant owners to remove offensive signs and restore the original building facades.

The government has also earmarked about \$1.5 million for low-cost loans to property owners who agree to restore the selected landmark buildings. If opposition can be overcome, foreign-language signs will be removed or reduced in size and clothing displays will be moved back indoors.

Although some Athens architects and city planners believe that the program is proceeding too

slowly and accuse the government of watering down Mr. Manos' highly ambitious land-use reform plan for both the Plaka and greater Athens, Mr. Plytas insists that, for the Plaka at least, "we've gotten through the hard part." He predicted that in three or four years the Plaka project would be completed.

A longtime Plaka resident, Sonia Dallas, agrees that the project is slowly working and that "there is a fantastic improvement." The elimination of cars from the area, for example, has lessened pollution. "It feels cleaner, and finally my plants are growing again," she said. But there is still a lot to be done. The area is not policed enough and the government has still not acted to limit the number of tourist shops, which ought, she said, to be replaced with real handicraft shops such as those that used to be one of the area's attractions.

—SARI GILBERT

**SARI GILBERT**, the major contributor to this survey, is an American free-lance journalist based in Rome. During the last 10 years, she has contributed to a number of major American newspapers and magazines, as well as to Italian and Canadian publications. She has a Ph.D. from the Johns Hopkins School of Advanced International Studies.

**ANDRIANA IERODIACONU**, a Cypriot free-lance journalist, writes from Athens for *The Washington Post*, *The Miami Herald*, *The Toronto Globe and Mail* and several British publications.

**PAUL ANASTASI**, also a Cypriot, runs the *Athens Free Press Agency*, and for the last two and a half years has worked for Athens for *The New York Times*. He previously had worked for six years for *The Associated Press* in Athens.

**GERARD CASTORIADES** grew up in Beirut, has lived in Cyprus and has a Greek passport. A former journalist for *Agence France-Presse*, he resided in Athens more than a year ago and writes for *Business International* and the *Middle East Economic Digest*.

## American School of Classical Studies Is 100 Years Old

By Andriana Ierodiakonou

**A**THENS — The American School of Classical Studies, a center of rigorous classical scholarship and archaeological excavation in Greece, will celebrate its 100th birthday this summer.

It is one of eight foreign archaeological missions in Greece, most of which were founded in the days when the great powers played more than a backstage role in Greek political and cultural life. According to other foreign scholars, the distinctive contribution of the American School in piecing together the jigsaw puzzle of ancient Greece lies in its meticulous, long-term studies of a half-dozen prehistoric and classical sites.

Physically, the school is a handsome neo-classical building set in one and a half acres of pines, olives and flowers amid concrete high-rises in the fashionable Kolonaki district. When the Greek government originally made a gift of the site it was on the outskirts of Athens. Carl Blegen, the excavator of Troy and the Mycenaean Palace of Nestor at Pylos, who first came to the school in 1910, once said: "We used to be practically in the country. The view in all directions was open and magnificent."

These days, about 100 students and faculty from U.S. and Canadian universities use the school as a graduate center abroad. About 20 students are admitted each year for a one-year graduate course. Another 40 — some undergraduates — join a six-week summer program, and the remainder are graduates doing research and established scholars.

**'Classicists of Tomorrow'**  
"We have the good fortune of seeing all the classicists of tomorrow pass through our doors," said Colin Edmonson, Andrew W. Mellon professor of classical studies. "And the staff list reads like a who's who of famous scholars."

The American School was founded a century ago by a group of scholars from Harvard, Yale, Brown, Johns Hopkins and Cornell universities with an endowment of \$100,000, which has grown to more than \$8 million.

Apart from their teaching and research work, the school's archaeologists have conducted more than 50 excavations, including two major digs that have gone on every summer for decades — one in the

Agora, or marketplace, the focal center of classical Athens, and another in the ancient city of Corinth, capital of the Roman province of Greece.

This year, their 50th season, the archaeologists working in the Agora are concentrating their efforts on a search for the colonnaded structure, or stoa, where the fourth century B.C. philosopher Zeno liked to meet with his pupils, who subsequently became known as the Stoics. This area, the excavators say, was the heart of the ancient city, where the finest sculpture was displayed and important city records could be read, inscribed on tall stone slabs, or *stelai*.

Finds from the Agora are on display in the American-organized Agora museum, or stored in its basement as study material. The museum itself is a reconstruction of the second century B.C. stoa built by King Attalus of Pergamon, in modern Turkey, who studied in Athens when the city was no longer a political force to be reckoned with but remained a center of learning.

The ancient equivalent of a modern shopping center, the two-story stoa had survived to its full height at one end. Rebuilding it in the 1950s was an architectural challenge that cost \$1 million, a

gift from John D. Rockefeller Jr.

At Corinth, 85 years of excavation have uncovered several acres of temples, theaters, fountains and bathhouses. Generations of U.S. archaeologists have learned the techniques of excavation at Corinth, which has also been a jumping-off point for exploring sites in the same region, like the ancient port of Cenchreae and the Panhellenic sanctuaries of Isthmia and Nemea, where games like the ancient Olympics were staged.

Not confined to the classical past, the American School has also been responsible for unearthing some important prehistoric sites. At the Franchthi cave near Port Heli the excavators went down 35 feet through 25,000 years of history to find Mesolithic bones, seeds and stone tools and the earliest evidence for seafaring — chips of black volcanic glass imported from the Aegean island of Melos about 8,000 B.C.

John Caskey of Cincinnati University put the early Bronze Age on the archaeological map of mainland Greece, uncovering a huge terra-cotta-tiled building at Lerna near Argos that dated from about 2,200 B.C., and went on to excavate a Bronze Age town on the island of Kea.

In Crete, Harriet Boyd Hawes of

Smith college uncovered a complete Minoan town in the early 1900s.

Although Greek archaeologists appreciate the work of the foreign archaeological schools, public reaction may range from interest to hostility. Periodically the radical press accuses foreign archaeologists of trying to steal the antiquities they dig up, or of spying.

"We do meet anti-Americanism in the field," Prof. Edmonson said. "But the practice of  *philoxenia*  — hospitality — is still a strong tradition in Greece, and on the individual level we experience nothing but friendliness."

Recently the school has introduced material on medieval and modern Greece in its one-year program. Its director, Henry Immerwahr, believes that more emphasis on recent Greek history and culture is vital if the American School is to continue an innovative role in Greek studies.

"We must explore what the Greek heritage means to the world, and to America, today," he said. "For one of the school's major achievements is in providing a perception of Hellenism as a continuous phenomenon, appearing in many forms from the dawn of history to the present day."

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# GREECE

## Athens Is Becoming a Major Center for Middle East Business

By Gerard Castoriades

**A**THENS — Nowadays on a busy day at Athens' Hellenikon Airport, wealthy-looking Middle Eastern businessmen wind their way through crowds of tourists visiting Greece for their annual share of the sun. At the airport's east terminal, on a parking tarmac, sleek, elegant executive jets with Arab markings are ready to take off for Riyadh, Abu Dhabi or Amman.

Because of political developments since 1975, Athens is becoming a major international business center for the Middle East.

The war in Lebanon has forced scores of companies to leave Beirut. With Egypt now the black sheep of the Arab family, businessmen have felt it unwise to use Cairo as a substitute regional center. The revolution in Iran forced executives to leave Tehran. The Gulf war has imperiled the status of Baghdad. And Saudi Arabia's stiff regulations for foreigners have kept businessmen from settling their families there.

In other words, by a simple process of elimination, many companies doing business in the Middle East have been led to select Athens as the alternative to Beirut and other oriental centers.

The Levant has always needed a

cosmopolitan marketplace — a centrally located business area in a city where one can work but also entertain. Business in the Middle East, after all, is a very personal thing, pivoting around personal ties and conversation.

Athens' new Middle East vocation is now visible. Syngrou Avenue, one of the longest and busiest boulevards, is almost entirely devoted to Middle East business.

Statistics supplied by the Ministry of Coordination show that the number of commercial-industrial multinational companies setting up Middle East headquarters in Athens has increased eightfold, from 55 in 1975 to almost 400. Foreign marine companies have grown from 700 in 1976 to more than 900. "They are still pouring in," said Gordon Ball, chairman of the Athens Multinational Liaison Committee, a privately established bureau set up soon after the first displaced businessmen from Beirut landed on Greek shores.

"Many companies," he said, "came to Athens, stayed a few months or one year, and then left because they were dissatisfied with Greek officialdom's failure to cope with bureaucratic problems and increasing telephone service delays. Recently, in fact, both Chase Manhattan bank and First Boston pulled their Middle East opera-

tions out of Athens. "However," Mr. Ball added, "for every 30 companies who have been leaving Greece every year since 1976, about 75 companies settle in and many of those who left have come back."

Many companies have decided that, despite the red tape, language barrier, and other problems, Athens is the best compromise the area has to offer as a Middle East business center. "Where else could we go?" Lebanese consultant Walid Beydoun said. "Athens is only a one- to four-hour flight to anywhere in the Middle East, North Africa and Europe."

**Levantine City**

In many ways — in appearance and lifestyle — Athens itself is very much a Levantine city. Thousands of Athenians, the offspring of members of the Greek communities of Cairo, Alexandria, Beirut and Tripoli, speak fluent Arabic. And yet it is an integral part of Europe, a member-state of both the European Economic Community and NATO. Middle East-oriented businesses considering Athens as a possible base may also be influenced by the fact that Greece is currently the only EEC country that does not have full diplomatic relations with Israel.

For companies thinking of set-

ting in Athens, a deciding factor is often Law 89, tailored for offshore groups and considered by many to be one of the few positive legacies of the 1967-1974 military junta. This law was originally aimed at drawing back the Greek shipping tycoons and their fleets, who had settled in the United States, Britain or Monte Carlo. It allows any company to start an offshore business in Greece, free of corporate tax, provided that it will not compete with Greek companies on the Greek market, and will import a minimum of \$50,000 a year in foreign exchange.

The law also grants offshore company staff certain privileges, including duty-free cars. This, the government thought, would encourage shipowners to return to Piraeus, open offices, rent flats and create jobs. They were right, and additionally it brought a rush from the Middle East.

Law 89 companies now bring at least \$350 million a year into Greece, Mr. Ball said. They employ more than 2,500 Greeks in skilled jobs and at salaries as high as \$30,000 a year — "which is the top mark by Greek standards," he said. They also have generated business for Greek companies in the Middle East, and, vice versa, business in Greece for Middle Eastern groups.

Who has started a Middle East operation in Athens? The long list includes auto industries with their spare parts depots, aerospace and aviation groups, heavy industry and petrochemicals, consumer industries, engineers and architects, state-owned bureaus, and banks.

Curt C. Carlsson, the manager of Skandinaviska Enskilda Banken, Sweden's largest privately owned industrial bank, said that through Athens he does business in 11 countries in the Middle East, including Turkey and Afghanistan.

**Hotel Group**

The latest group to move into Athens — from Kuwait — is Marriott Hotels Corp. of Britain. Marriott Vice President John Davis-Slade said that the decision was made "because it is now important to establish an area base, and Athens is increasingly becoming a center for Middle East operations." Marriott will operate out of Greece four hotels in the Middle East — two in Riyadh, one in Dharan and a floating hotel in Kuwait — as well as two cruise boats on the Nile, and four more hotels under construction in Amman, Cairo, Luxor and El Arish, Egypt.

Athens also attracts people from the Middle East. There are more than 100 Arab-owned or joint

Arab-U.S. and Arab-European groups doing business in the Middle East from Athens, such as Consolidated Contractors, the largest Arab-owned construction group, with \$1.6 billion worth of contracts under way.

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## Tiny Eurocommunist Party Seeking a Greater Voice

**N**EA SMYRNI — "Marx was a Eurocommunist," the impassioned, grey-haired orator thundered from atop a makeshift platform hung with both the blue and white flag of Greece and the red and yellow hammer and sickle.

Below in the empty lot, a few meters away from one of several amusement parks in this middle class suburb, about 500 Athenians broke into enthusiastic applause. Homemade banners urging a vote "for the new people" bobbed as the bearers clapped vigorously, and red flags fluttered gently as the speaker — now strident, now persuasive — sought to rally his audience.

National elections are still months away but the small Eurocommunist party is seeking an early start with a campaign directed equally against the conservative government and its chief rival, the pro-Moscow Communists.

The consensus is that it may well be a losing battle. Unlike elsewhere in Western Europe, there are two Communist parties and so far the hard-liners have pulled in most of the votes. The smaller Eurocommunist party, KKEs, known as the Greek Communist Party of

**Chief Foes Are Government and Pro-Moscow Group**

the Interior because its leaders were Communists who remained in Greece after the civil war rather than take refuge in the Eastern bloc, controls only about 2 percent of the popular vote and has only one deputy, its leader, Leonidas Kirkos, in the 300-member Parliament.

**Hard-Line Party**

"To be Eurocommunist, first you have to exist," scoffed a spokesman for the Communist Party, KKE, at the hard-line party's headquarters in Capodistria street in the commercial center of Athens. In the last elections, in 1977, the KKE won almost 10 percent of the vote and 11 seats in the single-house Parliament. Speaking at a press lunch in early June called to kick off the KKE's own campaign, party secretary Harilaos Florakis predicted that the vote this year — set for the fall — would bring gains for the party.

"We expect to double our seats," said Orestis Kolosof, a member of the KKE's seven-member

secretariat and its chief spokesman for foreign affairs. He said that the "exterior" Communists, as others describe them, are "not concerned with ourselves and with our own strength, but with defeating the right." Nevertheless, a drive is under way to win the 17 percent that under Greece's skewed proportional representation system qualifies a party for the post-election second distribution of parliamentary seats and would thus enable the Communists, they say, to hold a balance of power between the conservative New Democracy party and the dynamic Panhellenic Socialist Movement, Pasok.

Observers do not believe that the KKE will reach this goal, but they foresee some advances for the hard-liners and only little chance of improvement for the Eurocommunist. "They are fighting for their lives," an influential Greek journalist said, expressing what appears to be a widespread opinion.

There is general agreement among non-Communists in Greece that the hard-line Communists are among the most pro-Moscow in Western Europe. "It's rather surprising," a high-level West European diplomat said. "One would think that what the Eurocommunist are saying would ring bells here, but except for the intelligentsia they really don't."

**Democratic Values**

Like their Italian counterparts, Greece's Eurocommunist want drastic social change, but give an equally high priority to democratic institutions and values. They want Greece to withdraw again from the military wing of NATO but caution against dramatic moves that would upset the world balance of power. They have criticized the Soviet Union for its intervention in Afghanistan and are strongly opposed to any intervention in Poland. Although they are Marxists, they believe that Soviet-type Communism would not be suitable for the Greeks.

"I think perhaps they are not fanatical enough for Greek leftist extremists," said a deputy from the ruling New Democracy party who sought to explain the Eurocommunist's lesser appeal. The larger KKE, on the other hand, is almost universally described not only as Stalinist but as tightly tied to Moscow. "If a Greek KKE Communist found his wife in bed with Brezhnev, he would convince himself that this was OK," a government member said.

The KKE Communists shrug off their image as a closed, dogmatic party and point to the success of a policy that Mr. Kolosof describes as "telling it like it is." They accuse their smaller rival of being out of touch with Greek reality, which,

they say, makes inflexible opposition to both NATO and the European Economic Community a historical necessity. "To get rid of the right and bring change, forward toward the second distribution [of seats]," says a campaign poster prepared for an April-May election fund drive that Mr. Florakis said netted the party about 227 million drachmas.

Money, in fact, appears to be one of the major differences between the two parties. While the KKEs is finding it hard to come up with sufficient funds — "We are squeezing our resources to the greatest extent possible," a party spokesman said, adding that "poverty is the price of independence" — it is widely believed that the KKE is at least partially funded by Moscow. But there is also general acknowledgement that the KKE Communists have demonstrated superior organizational skills. They have considerable strength in big cities and recently boosted their share of the vote in Greek university student elections to 30 percent.

**KKE Policy**

The hard-line Communists call for the elimination of monopolies, a new social policy favoring the working class, a purge of former supporters of the dictatorship from the army and police, and — like other leftist parties — government decentralization. But in a country where there is considerable anti-Western and anti-U.S. sentiment, they have won considerable support for a "neutralist" foreign policy designed, they say, to keep Greece out of future world conflicts and free it from centuries of foreign domination.

The basis for the Communists' political strength lies in their role in the wartime anti-German resistance; the roots of the hatred that many Greeks still feel for the Communists are to be found in the memories of a bloody civil war in which terrible atrocities were committed.

Following their defeat in 1949, thousands of Communist guerrillas fled eastward. With the Communist Party outlawed, those who remained joined a broad leftist movement called EDA, which in 1958 did well enough to win 25 percent of the vote. Over the years, however, the Communists within

Greece began to resent the orders they received from abroad.

In 1968, following the Soviet invasion of Czechoslovakia, the party split into two wings. There was a brief reconciliation in 1974 when, after the fall of the military junta, the party was legalized and ran a joint electoral ticket, but since then the two groups have been almost continually at loggerheads.

Under the leadership of Mr. Kirkos, the Eurocommunist party has been trying to persuade Greek Communists that polarization can be dangerous and that analysis is better than emotional catch-all slogans. But so far their major success has been to convince non-Communists that "it would be nice" if it were they who had the KKE's strength.

— SARI GILBERT

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Am	Security	% Mat	Yield	Price	Yield	Am	Security	% Mat	Yield	Price	Yield
130	South Collier Edison	9 1/2	10.30	101.50	15.13	130	Amst Euro Bond	12 1/2	10.00	101.50	15.13
131	13 1/2 % 1981 Jun	9 1/2	10.30	101.50	15.13	131	Amst Euro Bond	12 1/2	10.00	101.50	15.13
132	13 1/2 % 1981 Jun	9 1/2	10.30	101.50	15.13	132	Amst Euro Bond	12 1/2	10.00	101.50	15.13
133	13 1/2 % 1981 Jun	9 1/2	10.30	101.50	15.13	133	Amst Euro Bond	12 1/2	10.00	101.50	15.13
134	13 1/2 % 1981 Jun	9 1/2	10.30	101.50	15.13	134	Amst Euro Bond	12 1/2	10.00	101.50	15.13
135	13 1/2 % 1981 Jun	9 1/2	10.30	101.50	15.13	135	Amst Euro Bond	12 1/2	10.00	101.50	15.13
136	13 1/2 % 1981 Jun	9 1/2	10.30	101.50	15.13	136	Amst Euro Bond	12 1/2	10.00	101.50	15.13
137	13 1/2 % 1981 Jun	9 1/2	10.30	101.50	15.13	137	Amst Euro Bond	12 1/2	10.00	101.50	15.13
138	13 1/2 % 1981 Jun	9 1/2	10.30	101.50	15.13	138	Amst Euro Bond	12 1/2	10.00	101.50	15.13
139	13 1/2 % 1981 Jun	9 1/2	10.30	101.50	15.13	139	Amst Euro Bond	12 1/2	10.00	101.50	15.13
140	13 1/2 % 1981 Jun	9 1/2	10.30	101.50	15.13	140	Amst Euro Bond	12 1/2	10.00	101.50	15.13

## STRAIGHT BONDS All Currencies Except DM

Am	Security	% Mat	Yield	Price	Yield
141	Amst Euro Bond	12 1/2	10.00	101.50	15.13
142	Amst Euro Bond	12 1/2	10.00	101.50	15.13
143	Amst Euro Bond	12 1/2	10.00	101.50	15.13
144	Amst Euro Bond	12 1/2	10.00	101.50	15.13
145	Amst Euro Bond	12 1/2	10.00	101.50	15.13
146	Amst Euro Bond	12 1/2	10.00	101.50	15.13
147	Amst Euro Bond	12 1/2	10.00	101.50	15.13
148	Amst Euro Bond	12 1/2	10.00	101.50	15.13
149	Amst Euro Bond	12 1/2	10.00	101.50	15.13
150	Amst Euro Bond	12 1/2	10.00	101.50	15.13

Am	Security	% Mat	Yield	Price	Yield
151	Amst Euro Bond	12 1/2	10.00	101.50	15.13
152	Amst Euro Bond	12 1/2	10.00	101.50	15.13
153	Amst Euro Bond	12 1/2	10.00	101.50	15.13
154	Amst Euro Bond	12 1/2	10.00	101.50	15.13
155	Amst Euro Bond	12 1/2	10.00	101.50	15.13
156	Amst Euro Bond	12 1/2	10.00	101.50	15.13
157	Amst Euro Bond	12 1/2	10.00	101.50	15.13
158	Amst Euro Bond	12 1/2	10.00	101.50	15.13
159	Amst Euro Bond	12 1/2	10.00	101.50	15.13
160	Amst Euro Bond	12 1/2	10.00	101.50	15.13

### HIGHEST YIELDS to Average Life Below 5 Years

Am	Security	% Mat	Yield	Price	Yield
161	Amst Euro Bond	12 1/2	10.00	101.50	15.13
162	Amst Euro Bond	12 1/2	10.00	101.50	15.13
163	Amst Euro Bond	12 1/2	10.00	101.50	15.13
164	Amst Euro Bond	12 1/2	10.00	101.50	15.13
165	Amst Euro Bond	12 1/2	10.00	101.50	15.13

### HIGHEST YIELDS to Average Life Above 5 Years

Am	Security	% Mat	Yield	Price	Yield
166	Amst Euro Bond	12 1/2	10.00	101.50	15.13
167	Amst Euro Bond	12 1/2	10.00	101.50	15.13
168	Amst Euro Bond	12 1/2	10.00	101.50	15.13
169	Amst Euro Bond	12 1/2	10.00	101.50	15.13
170	Amst Euro Bond	12 1/2	10.00	101.50	15.13

### HIGHEST CURRENT YIELDS

Am	Security	% Mat	Yield	Price	Yield
171	Amst Euro Bond	12 1/2	10.00	101.50	15.13
172	Amst Euro Bond	12 1/2	10.00	101.50	15.13
173	Amst Euro Bond	12 1/2	10.00	101.50	15.13
174	Amst Euro Bond	12 1/2	10.00	101.50	15.13
175	Amst Euro Bond	12 1/2	10.00	101.50	15.13

Am	Security	% Mat	Yield	Price	Yield
176	Amst Euro Bond	12 1/2	10.00	101.50	15.13
177	Amst Euro Bond	12 1/2	10.00	101.50	15.13
178	Amst Euro Bond	12 1/2	10.00	101.50	15.13
179	Amst Euro Bond	12 1/2	10.00	101.50	15.13
180	Amst Euro Bond	12 1/2	10.00	101.50	15.13

Am	Security	% Mat	Yield	Price	Yield
181	Amst Euro Bond	12 1/2	10.00	101.50	15.13
182	Amst Euro Bond	12 1/2	10.00	101.50	15.13
183	Amst Euro Bond	12 1/2	10.00	101.50	15.13
184	Amst Euro Bond	12 1/2	10.00	101.50	15.13
185	Amst Euro Bond	12 1/2	10.00	101.50	15.13

Am	Security	% Mat	Yield	Price	Yield
186	Amst Euro Bond	12 1/2	10.00	101.50	15.13
187	Amst Euro Bond	12 1/2	10.00	101.50	15.13
188	Amst Euro Bond	12 1/2	10.00	101.50	15.13
189	Amst Euro Bond	12 1/2	10.00	101.50	15.13
190	Amst Euro Bond	12 1/2	10.00	101.50	15.13

Am	Security	% Mat	Yield	Price	Yield
191	Amst Euro Bond	12 1/2	10.00	101.50	15.13
192	Amst Euro Bond	12 1/2	10.00	101.50	15.13
193	Amst Euro Bond	12 1/2	10.00	101.50	15.13
194	Amst Euro Bond	12 1/2	10.00	101.50	15.13
195	Amst Euro Bond	12 1/2	10.00	101.50	15.13

Am	Security	% Mat	Yield	Price	Yield
196	Amst Euro Bond	12 1/2	10.00	101.50	15.13
197	Amst Euro Bond	12 1/2	10.00	101.50	15.13
198	Amst Euro Bond	12 1/2	10.00	101.50	15.13
199	Amst Euro Bond	12 1/2	10.00	101.50	15.13
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Uncertainty Haunts AT&T Restructuring

By Merrill Brown Washington Post Service WASHINGTON — While the Reagan administration, Congress and the federal courts are considering moves that will alter the future shape of American Telephone & Telegraph, the Bell System is quietly moving ahead with a massive restructuring program that will alter the relationship between users of the nation's 145 million AT&T telephones and the phone company.

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Newspapers See Future in Cable

By N.R. Kleinfield New York Times Service NEW YORK — In the old days of a few years ago, executives of newspaper chains traveled around the country buttonholing the proprietors of local independent papers. Join our stable of dailies, was their call. As they carried out their work, executives from Knight-Ridder might bump into emissaries of Times Mirror or somebody from Newhouse.

Cable TV Interests of Major Newspaper Companies

Table listing cable TV interests of major newspaper companies including The Times Mirror Company, Newhouse Group, Capital Cities Communications, Landmark Communications, Tribune Company, and The New York Times.

Euromarket Record Set in 1st Half of '81

By Carl Gewirtz International Herald Tribune PARIS — Despite mounting complaints from bankers that ever-narrowing margins on Eurocurrency credits make it unprofitable to stay in the market, the volume of business transacted in the first six months of this year hit a record \$38.02 billion.

Dollar Issues Dominate Eurobond Market in 1st Half

By Carl Gewirtz International Herald Tribune PARIS — Record-high interest rates in all sectors of the Eurobond market failed to have any significant impact on the volume of business transacted so far this year, figures compiled by Morgan Guaranty Trust show.

1967. Throughout the 1970s, the dollar portion of the market ranged from a low of 43.6 percent in 1975 to a high of 65.4 percent in 1977. Obviously, there has been a rare currency match between the preference of investors and borrowers this year.

Salomon Brothers' economist Henry Kaufman and First Boston's Al Wojnilower, remain convinced that although there may be some near-term downturn in short-term U.S. interest rates, long-term rates will not decline and short-term rates are bound to set new highs within the next 12 months.

reporting that M1-B growth rates for January and February have been lowered while April's were increased. The Fed reduced first-quarter average growth in shift adjusted M1-B by nearly two percentage points to minus 3/4 percent at an annual rate.

Genetic Engineering Begins to Change Face of U.S. Agriculture

By Ann Crittenden New York Times Service NEW YORK — You don't have to lick your finger to tell which way the wind is blowing. Like a spring tornado, this season's enthusiasm over genetic engineering is sweeping over agriculture, one of the United States' biggest businesses and the nation's chief exporter.

ment over Lactril — everyone wants to believe in it," said one skeptic, Holly Shauer, head of the Department of Agriculture's competitive grants program, established in 1977 specifically to finance basic research in agriculture.

So far, the new techniques on which much of the current stir is based are applied mainly in the medical field, although here too, there can be an impact on the world's increasingly fragile food supply. A headline grabber earlier this month, for example, was the announcement of an effective vaccine based on gene-splicing technology that works against hoof and mouth disease, a major killer of livestock.

successful methods of inserting foreign genes into plants have not yet been perfected. Genetic engineering techniques, in short, are far from being able to transplant families of genes that express different characteristics in higher organisms.

future looks a little clearer. "The hype has confused a lot of people into thinking that the problems in working with plants are more tractable than they are," said Thomas T. Bamford, head of research and development at the FMC Corp. "I'm not about to spend a lot of money just because the research is glamorous."

CURRENCY RATES

Table showing interbank exchange rates for June 26, 1981, for various currencies including the Dollar, British Pound, Swiss Franc, and others.

Advertisement for Europe's leading management and charter company for business jets, featuring Jet Aviation Private Jet Services.

Advertisement for the Republic of Finland Dfls 50,000,000 Fixed Term Loan, arranged and provided by NMB (Nederlandsche Middenstandsbank N.V.) in association with Kredietbank S.A. Luxembourgise.

Advertisement for U.S. \$5,000,000 FEDERAL REPUBLIC OF BRAZIL FLOATING RATE BONDS DUE 1984, with details on interest rates and fiscal agents.

Advertisement for Gold Fixing at the Luxembourg Stock Exchange, daily at 10:30 a.m. local time, listing participating banks and contact information.

International Bond Prices - Week of June 25

Provided by White Weld Securities, London; a Division of Financiere Credit Suisse - First Boston

Table of International Bond Prices. Columns include Amt, Security, % Mat, Price, Yield, and Life. Sub-sections include DM STRAIGHT BONDS, AUSTRALIA, CANADA, DENMARK, and NEW ZEALAND.

Table of Convertible Bonds. Columns include Amt, Security, Middle Price, Conv. Pct., and Yield. Lists various convertible securities and their market prices.

Advertisement for BANCO NACIONAL DE ANGOLA. Features the Angolan coat of arms, the bank name, amount 'US \$30,000,000', and lists of managers and participating banks.

Advertisement for 'HIGHEST CURRENT YIELDS' on convertibles. Includes a table of yields and an 'Explanation of Symbols' section.

Advertisement for Mutual Funds. Lists various fund names, their assets, and performance metrics.

Film Firms' Summer Strategy Has Key Role in Profit Picture

By Pamela G. Hollic

LOS ANGELES — Last December, Warner Brothers decided that instead of releasing its new movie "Superman II" during the Christmas season, it would wait until summer. That strategy now seems to be paying off.

the difference between a great year and a poor one. And the verdict comes in quickly, usually in the first few days.

Gross Revenues In the Opening Weekend For Some of the Summer's Hottest Films

Superman II \$14.1 million Distributor: Warner Brothers

Cannonball Run \$11.8 million Distributor: 20th Century-Fox

Raiders of the Lost Ark \$8.3 million Distributor: Paramount

Nice Dreams \$8.2 million Distributor: Columbia Pictures

Clash of the Titans \$6.6 million Distributor: United Artists

Bustin' Loose \$6.5 million Distributor: Universal Pictures

The Four Seasons \$5.5 million Distributor: Universal Pictures

History of the World Part I \$4.9 million Distributor: 20th Century-Fox

Japan Firm Sets U.S. Semiconductor Plant

By Thomas J. Lueck

SAN FRANCISCO — In what industry analysts are calling a bold move into the U.S. semiconductor market, a Japanese company, NEC Electronic U.S.A. Inc., has announced that it will build a huge semiconductor manufacturing plant in California.

the plant would open in early 1983, and that it would reach a peak monthly production level of 75,000 to 80,000 semiconductors by 1986.

conductors after the Matsushita Electric Co. — The company is already a presence in the American market, and the new plant is considered a logical step to better serve that market.

to move semiconductor production facilities into this country, but they added that they were surprised by the scale of the NEC project.

Tin Agreement Reached, But U.S. Role in Doubt

New York Times Service

GENEVA — A U.N. conference has completed here the draft of a five-year agreement to maintain an orderly international market in tin, but U.S. acceptance of the pact remained doubtful.

about the provisions for introducing limits on tin exports by producer nations as a method of bolstering sagging prices if they continue to fall below an agreed level, once 35,000 metric tons of tin have been taken off the world market by the buffer stock manager.

U.S. officials who participated in the negotiations said Friday that the terms of the projected 6th International Tin Agreement left them with "serious concerns."

Washington wanted more reliance placed on buffer stock purchases for limiting price drops with exports controls to be invoked only as a "last resort."

However, they said that the final decision as to eventual U.S. adherence would be made in Washington after study.

Secretary of State Alexander M. Haig Jr. was pressed by the foreign ministers of Malaysia, Thailand and Indonesia when they met in Manila last week to have the United States accept the Lai proposals.

The final draft was based on a "compromise package" on key issues that was authored by Peter Lai of Malaysia, chairman of the International Tin Council formed by the tin producer and consumer nations, including the United States, who are parties to the 5th pact that expires on June 30, 1982.

Most of the nations with a major interest in the tin trade accepted the "package" as the basis for an accord. However, the United States, the world's largest tin importer, objected that it did not guarantee that financing would be available for a projected "buffer stock" of 50,000 metric tons of tin to be used to cushion price movements on the world tin market.

UAE Oil Output Cut, Official Tells Paper

Reuters

ABU DHABI — A United Arab Emirates government official was quoted Sunday as saying his country's crude oil production had been cut by a total of 255,000 barrels a day during the past six months.

Petroleum Ministry Undersecretary Shaiba al-Hameili said the output was reduced by 175,000 barrels a day after last month's output cut decision by the Organization of Petroleum Exporting Countries, the newspaper Al-Fajr reported.

Two of the products to be produced by NEC, known as the 64-K Random Access Memory and the 128-K Read Only Memory, are regarded in the electronics industry as the most advanced semiconductor products available and those expected to experience the greatest demand over the next five years.

This, plus a previous cutback of 80,000 barrels a day last January to conserve oil, brought the UAE's daily production level to 1.43 million barrels a day, he said.

Eurocurrency Credits Set Record in First Half of 1981

(Continued from Page 15)

their trips to the market more orderly. Officials say the central bank has been quietly playing a more active role in trying to induce borrowers to agree not to interfere with one another. "This is being done on a very informal basis," an official in Rome said.

Malaysian Bids are being sought by Malaysia International Shipping Corp. for a \$140-million government guaranteed loan (expected with a split margin of 3/4-1/2 point over Libor) and by Cyprus for a tax sparing loan from U.K. banks of up to \$80 million.

spread of 3/4 point over Libor for the first five years and 1/2 point thereafter. The very favorable terms (the government itself is paying a split 1/4-1/4 points over Libor for an eight-year loan) are explained by the companion (\$46-million equivalent) French and (\$27.5 million equivalent) Italian export credits that are very profitable for lenders.

Papua New Guinea has awarded a mandate to five banks to raise \$100 million for 10 years with interest set at 1/2 point over Libor for the first six years and 3/4 point over Libor thereafter, a spokesman for Barclays Asia, one of the lead managers, reported.

Eurobonds Dominated by Dollar Issues

(Continued from Page 15)

In the floating rate sector, Tubos de Acero de Mexico, which supplies pipeline to the state oil company Pemex, is seeking \$80 million for eight years, offering to pay 3/4 point above the London interbank rate and guaranteeing a minimum coupon of 9% percent.

increased to \$60 million from the \$50 million initially indicated. The coupon was set at 5 1/2 percent against an indicated 6-to-6 1/4 percent. The conversion price was set at 300 yen and the exchange rate fixed for the life of the issue at 224.75 yen to the dollar.

At 99.45 bearing a coupon of 8 1/2 percent to yield 8.593 percent. Dow Chemical is reported to be planning to raise 20 billion yen on the Japanese capital market.

Table with Eurobond Yields\* and Market Turnover. Columns include instrument type, yield, and turnover.

SENIOR EXECUTIVE POSITIONS

Published every Monday, this is a compilation of senior positions published in the INTERNATIONAL HERALD TRIBUNE and other selected publications. Comments concerning this feature can be addressed to Juanita Caspari in Paris.

Table with columns: POSITION, SALARY, EMPLOYER, LOCAT., QUALIFICATIONS, CONTACT, Source. Lists various executive roles and their details.

All of these notes having been placed, this announcement appears for purposes of record only.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT Washington, D.C.

U.S. \$ 500,000,000 14 3/8% U.S. Dollar Notes of 1981, due 1986

Table listing participating banks and their details, including Deutsche Bank, Credit Suisse, and others.

NEW YORK (AP) - Weekly Over the Counter stocks showing the high, low, and last bid prices for the week with the net change from the previous week's last bid prices.

Table listing various stocks with columns for 100s, High, Low, Last, and Net Change.

Table listing various stocks with columns for 100s, High, Low, Last, and Net Change.

Table listing various stocks with columns for 100s, High, Low, Last, and Net Change.

Table listing various stocks with columns for 100s, High, Low, Last, and Net Change.

BANCO HISPANO AMERICANO

Annual General Meeting held in Madrid on April 26th 1981

From the speech of the Chairman, Mr. Luis de Usua

"Policy for shares and resources in the forthcoming period includes a scrip issue of one share for every ten held, during May; another, with the same characteristics, in 1982, and an issue of bonds convertible into shares of the Bank.

"After auditing the books of Banco Hispano Americano and its subsidiary companies, Arthur Andersen is issuing a favourable report on the Group's consolidated balance sheet, without any type of reserve or exception".

"The three main highlights of 1980 were: an increase in activity of all sectors of the Banco Hispano Americano Group, an increase of over 20% in profits, and great care in the adjustment and protection of assets".

"Whatever economic policy the Government adopts presupposes a profound conviction that we must all consciously assume our part in the general effort. The realities of the economy should not be a cause of negative pessimism, but rather for realizing the seriousness of the problems".

From the report of the Managing Director, Mr. Alejandro Albert

"The favourable trends in the Bank's results, with comparative data from the previous year are seen in the following figures:

Table showing Results of operations for 1980 and 1979, including Gross operating income, Adjustments, Profit before taxation, Profit after taxation, Dividend, and Assigned to Reserves.

"We have adopted the strategy within the Bank of taking specific actions for each segment of the market, and within the Group of developing new institutions that are more flexible and specialised, and less costly, so as to be able to act in all financial markets, and not only in the banking one".

"The announcements of preferential interest rates that for the past few weeks have been displayed in all bank offices, as a consequence of the Order freeing the financial system, are a sign of the transformation of the banking sector that obliges us to reconsider our position and adopt new lines of action for the future".

Financial operations in 1981

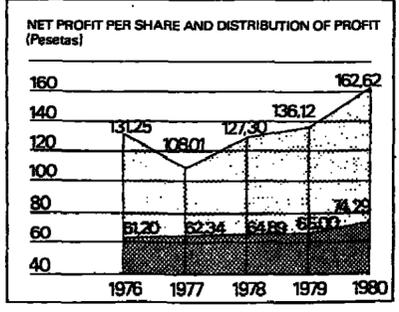
- Capital increase of one free share for every ten old ones, starting 5th May 1981. Issue of Liquidity Bonds (bonos de tesoreria) in the near future, convertible into shares of the bank.

Deposits - Customers' Deposits increased by 121,582 million pesetas, a percentage growth of 18.2% on the basis of the average figures for the year.

Dividend and profit per share. - The total dividend per share is 74.29 pesetas, equivalent to 14.858% of the face value, and 9.29 pesetas higher than the amount paid in 1979.

Services. - The Bank has made a great effort to respond to companies' demands for more and better services. During 1980, 54 new offices were opened in Spain, bringing the total number of operational branches up to 1,284.

Loans and Advances - The growth in bills discounted and loans was 60,725 million pesetas, an increase of over 13% on the basis of average annual figures. The Bank has also contributed to financing the public and private sectors, with 14,576 million pesetas in Investment Notes.

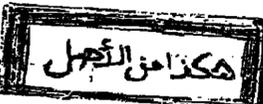


International Activities. - The contribution of the international area to the year's profits increased by 40%, and amounted to almost one third of the total working profit.

Personnel. - The high professional qualities and constant dedication of our personnel has again been reflected in the progress and results obtained by the Bank in 1980.

Shares and Shareholders. - Over the last three years, an investment in the shares of Banco Hispano Americano has risen in value more rapidly than the average index of the Stock Exchange and Commercial Banks sector index.

Other companies of the Banco Hispano Americano Group. - During its first year, Banco Hispano Industrial has satisfactorily developed its activities as a wholesale merchant bank, obtaining excellent working profits.



Large table listing various international stocks with columns for 100s, High, Low, Last, and Net Change.



CAPE HAZE CONDOMINIUMS LIMITED NOTICE TO HOLDERS OF PROMISSORY NOTES 1977

SARAKREEK HOLDING N.V. 595 Herengracht, Amsterdam, Netherlands

Gold Options (Options in Swiss Francs)

Valens White Weld S.A. 1, Quai de Montebello, 1201 Geneva, Switzerland

To our readers... Please let us know about any problems you may have...

Over-the-Counter

AT&T Redefining U.S. Phone System

(Continued from Page 15) production of regulated equipment from the manufacture of unregulated products. Proponents of forcing AT&T to either totally divest itself of its competitive holdings...

Enormous Task Bell System officials say there is no way to overestimate the enormity of just the task required by the FCC. Some outside observers say that the costs of the restructuring and the complex changes in AT&T depreciation and rate policies will cloud the company's short-run earnings picture.

U.S. Newspapers See Future in Cable-TV

(Continued from Page 15) and newspaper owners such as Multimedia and Harte-Hanks have been steadily widening their cable bases. Knight-Ridder Newspapers, the second-biggest newspaper company...

Logical Uses Moreover, cable offers logical applications for the bills of information gathered by papers. Dozens of dailies have already leased cable channels to beam news reports, and virtually every paper is studying such affiliations.

Network for Women Last year, the company formed the Hearst Cable Communications division, which recently announced that, in conjunction with ABC, it would start a network for cable systems earmarked for women. The joint venture would also drum up programming for other networks...

High Rents in Hong Kong Anger Foreign Residents HONG KONG — The soaring cost of living accommodation, on top of astronomical office rents, is threatening to force many foreign executives and businessmen from Hong Kong.

Mozambique to Seek Offshore Oil Bidding MAPUTO, Mozambique — Mozambique plans to invite oil companies to bid for rights to prospect for oil offshore, and submit their proposals next year.

Chicago Exchange Options For the Week Ending June 26, 1981. American Exchange Options For the Week Ending June 26, 1981. The Tribune Co., parent of The Chicago Tribune and The Daily News in New York, first bought a small cable system in Michigan in 1964.

Table with columns: Sells, High, Low, Last, Chgs. Lists various stock prices and changes.

Table with columns: Sells, High, Low, Last, Chgs. Lists various stock prices and changes.

Table with columns: Sells, High, Low, Last, Chgs. Lists various stock prices and changes.

Treasury Bills Table with columns: Bid, Ask, Last, Chgs. Lists Treasury bill prices.

Consolidated Trading Of AMEX Listings Week Ended June 26, 1981. Table with columns: Sells, High, Low, Last, Chgs.

Table with columns: Sells, High, Low, Last, Chgs. Lists various stock prices and changes.

Consolidated Trading Of NYSE Listings Week Ended June 26, 1981. Table with columns: Sells, High, Low, Last, Chgs.

THE GREAT PERSONALITIES BY MARY BLUME. International Herald Tribune. We've got news for you.

Table with columns: Sells, High, Low, Last, Chgs. Lists various stock prices and changes.

Table with columns: Sells, High, Low, Last, Chgs. Lists various stock prices and changes.

Table with columns: Sells, High, Low, Last, Chgs. Lists various stock prices and changes.

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# Borg Beats Gerulaitis at Wimbledon As McEnroe Gains; Jaeger Is Ousted

By Neil Arndur

**WIMBLEDON, England** — Tie-breaker victories helped Bjorn Borg achieve his 39th consecutive Wimbledon tennis triumph Saturday and also assured Mima Jausovec of a 6-4, 7-6 upset of Andrea Jaeger for a berth in the women's quarterfinals.

And while the crowd of 31,473 helped swell attendance at the All-England Club to a first-week record of 205,460, an unseeded 20-year-old American, Tim Mayotte, fanned Borg, John McEnroe and Jimmy Connors in the last eight of the men's singles by stopping Sandy Mayer, 6-3, 6-4, 7-6.

McEnroe, the No. 2 seed, advanced by beating Stan Smith, a former Wimbledon champion, 7-5, 3-6, 6-1, 6-2.

"I feel comfortable with the people and the atmosphere," said Mayotte, the National Collegiate Athletic Association champion from Stanford who turned pro last week and is making his Wimbledon debut. "When you win a lot of matches in a row, you feel you can come through on the big points."

And Borg found himself locked in another challenging Center Court duel with his friend and long-time practice partner, Vitas Gerulaitis. The Swede took two tie-breaker playoffs in their 7-6, 7-5, 7-6 fourth-round match. In doing so, Borg demonstrated that he is sharpening his first serve and passing shots for a serious run at a sixth successive singles crown.

Borg's opponent in the quarterfinals will be Peter McNamara, the No. 12 seed, who also needed a pair of tie-breakers in stopping Jeff Borowiak of the United States. The scores were 7-6, 6-0, 7-6, and the unseeded Borowiak extended McNamara to 8-6 in the

third-set playoff before the Australian's punishing serve-and-volley skills prevailed.

Aside from the Jausovec-Jaeger match and Virginia Ruzici's continuing three-set sagas on the back courts, the women's draw was a lull before next week's predictable storms. The top four seeds — Chris Evert Lloyd, Hana Mandlikova, Tracy Austin and Martina Navratilova — lost a total of only 13 games among them, and it will be big news if a Lloyd-Austin, Navratilova-Mandlikova semifinal round is not achieved.

The second week for the men is certain to focus on a possible Borg-Connors semifinal and a Borg-McEnroe rematch of last year's five-set final — if Connors does not intervene along the way.

Like Borg, Connors has not lost a set in four matches. He dropped the serve only once Saturday during a 6-1, 6-2, 6-4 victory over Wojtek Fibak of Poland.

Gerulaitis, the No. 16 seed, had lost 17 matches in a row to Borg. After a shaky, disappointing spring, Gerulaitis phoned Harry Hopman, the former Australian Davis Cup Captain and his one-time mentor, and flew him here from Florida to monitor his pre-Wimbledon training.

But the level that separates Borg from Gerulaitis is often more mental than physical. On the opening point of the first-set tie-breaker, for example, Gerulaitis served a double fault, a deficit from which he never recovered in the 7-4 playoff.

Borg says his philosophy in tie-breakers is "always play safe. Never take chances." Maybe some players take chances and go for shots, he says, but he prefers to play safe points, put more pressure on opponents and "make them play the point."

Borg also knows that he plays the big points better than Gerulaitis. "Maybe sometimes he gets nervous," Borg said. "He plays better when he's down. He goes for the shots. Those important points, I always win them."

A vivid example came when Gerulaitis served at 4-5 and attacked. An overhead put Borg on the defensive, but the smash was not deep enough, leaving Borg with an option to chase an aggressive passing shot.

Borg raced for the ball and delivered a forehand cross-court cruncher. Gerulaitis saved two match points from 4-6, but Borg took the playoff and the match, 6-6, again passing his friend off a first volley that they probably have played thousands of times in practice.

McEnroe's victory over Smith was less artistic. And McEnroe was the first to admit that all the components of his game are not yet in place to win the tournament. Fortunately, McEnroe's draw, minus any seeds, leaves him with Johan Kriek in the quarters, and then the winner of the Mayotte-Rod Frawley match in the semis.

"I feel I'm hitting the ball a little bit better and returning better," McEnroe said. "But I'm not serving well enough, and you can't win tournaments unless your serve is good."

**The Bouncing Ball**  
Ruzici's 3-6, 6-4, 6-3 victory over Kathy Jordan seemed tame alongside her comebacks from two match points against Mimi Wikstedt and one match point against Nina Bohm in earlier rounds.

Not so in the Jaeger-Jausovec match. The crowds were five deep around Court Three when Jaeger, the fifth seed, served at 4-5 in the opening set against her 24-year-old Yugoslav rival.

Jaeger saved one set point in the game but drove a backhand long to give Jausovec, the No. 10 seed, a second chance. In what proved to be an omen, Jaeger then overhit a two-handed backhand that bounced slightly higher — perhaps waist-high instead of knee-high — than she anticipated. On grass courts, no bounce is true enough for the two-handed player.

Jausovec has been as high as ninth in the women's computer rankings. Her number seems to fluctuate with her weight; the thinner she is, the better she moves and plays. At the moment, she is trim and eager.

Jaeger's normally impeccable backhand deserted her in the tie-breaker, on the same field court



Bjorn Borg en route to victory over Vitas Gerulaitis.

# Kuhn Withholding Tabulation of Votes For All-Star Game

By Dave Anderson

**NEW YORK** — Of all the all-star games, baseball's is the only one with traditional values. Pro football's all-star game, the Pro Bowl, is an afterthought that resembles touch football; pro basketball's dissolves into a one-on-one pageant; hockey's should be scored by figure-skating judges. But for nearly 50 years, the baseball all-star game has had a sense of meaningful theater — Carl Hubbell's five consecutive strike-outs, Ted Williams' game-winning homer, Willie Mays' perennial presence.

Because the fans have selected the starting lineup since 1970, baseball's all-star game is considered to be their game.

In one man's opinion, these players should be on the starting teams this year:

**National League** — Pete Rose, Phillies, first base; Manny Trillo, Phillies, second base; David Concepcion, Reds, shortstop; Mike Schmidt, Phillies, third base; Gary Carter, Expos, catcher; George Foster, Reds, outfielder; Andre Dawson, Expos, outfielder; Tim Lincecum, Expos, outfielder.

**American League** — Rod Carew, Angels, first base; Willie Randolph, Yankees, second base; Bill Almon, White Sox, shortstop; Buddy Bell, Rangers, third base; Carlton Fisk, White Sox, catcher; Dwight Evans, Red Sox, outfielder; Tony Armas, A's, outfielder; Ken Singleton, Orioles, outfielder.

For the all-star game to be played two weeks from Tuesday night as scheduled, the season apparently would have to be resumed no later than the previous week-end.

"To play the game on time, the strike probably would have to be over sometime this coming week," Miller said. "The players already have said across the bargaining table that they need two and a half days of workouts for each week that they miss."

**In Kuhn's Hands**  
According to it formula, if the strike were to be settled late this week, the season would resume the following Friday.

Another all-star date is possible, July 30, if the season has resumed by then. That was established as the contingency date if the game were rained out both July 14 and July 15. Only one regular-season game is scheduled that day, Montreal at San Francisco; if the all-star game needed the date, that game would be moved.

"But only Bowie Kuhn could establish a July 30 date," Paul said. "The all-star game is in his hands." Judging by the way the commissioner has handled this year's all-star game, it would be better off in the hands of the Venus de Milo.

# Strike 17 Days Old; No Talks Scheduled

**NEW YORK** — The baseball players' strike stretched through a 17th day Sunday with 14 more canceled games pushing the total since the walkout began to 211.

No negotiations were scheduled, and barring an immediate settlement, the United States is certain to be without baseball for the July 4th weekend, traditionally one of the biggest game attractions of the season.

In Philadelphia, the Major League Umpires Association was to go back to court Monday, seeking to reverse a federal judge's ruling to withhold an injunction that would have blocked management's collection of its \$50 million strike insurance. They argue that the payoff of \$100,000 per canceled game reduces management's incentive to end the strike.

# Why the Bets Are Going on Page

By Michael Katz

**NEW YORK** — Greg Page had what he called a lousy feeling as he headed toward the hospital. His father, Albert, had been there 30 days, but it was only a week earlier that his mother had told him why: cancer.

Page had suspected. He had noticed that his father was losing weight. "What's up?" he had asked.

**Pryor Retains WBA Title With 2d-Round TKO**  
The Associated Press  
**LAS VEGAS** — Aaron Pryor defeated Lennox Blackmoore on a technical knockout Saturday, retaining his World Boxing Association junior welterweight title when the referee stopped the bout 58 seconds into the second round.

Pryor was all over Blackmoore from the opening bell, dropping the challenger from his knees twice in the opening round and once in the second before referee Mills Lane stepped in.

Pryor knocked Blackmoore to the canvas with a left hook just seconds into the fight. The No. 1-ranked challenger got right back up — he took a mandatory eight-count — but was rocked by another left.

Another hard left hook on the ropes and a left-right combination put Blackmoore down for the second time in the round, but he got up at the count of six and managed to finish the round.

Blackmoore, who bled profusely from a cut over his right eye in the first round, got going immediately after the second round began as Pryor was once again all over him. After Pryor backed the challenger against the ropes, two straight rights and another left put Blackmoore down again.

**Pate Holds Lead Over Graham in Memphis Golf**  
United Press International  
**MEMPHIS** — Jerry Pate shot a 6-under-par 66 Saturday to take a one-stroke lead over Peter Jacobson at the Memphis Golf Classic.

Pate was 11-under-par 205 through three rounds over the 7,249-yard south course at Colonial Country Club.

Jacobson, who started the day at 2 under par, attacked the Colonial course and came up with an 8-under-par 64 to total 206.

Pate had three birdies on the front nine, and started the back nine with a pair of birdies on the par-5 10th hole and the par-4 11th hole. On the 218-yard par-3 12th hole, he made a bogey, but came back with a 15-foot birdie putt at 17 and a nine-foot birdie putt on the final hole.

**Floyd Leads in Canada**  
**KITCHENER, Ontario (UPI)** — Ray Floyd unleashed a brilliant round of seven birdies and no bogeys to take a three-stroke lead over David Graham Saturday after 54 holes in the Canadian International Golf Classic.

Floyd, the second-leading PGA money-winner this season, carded a 7-under 65 for a three-round total of 206 and was 10-under for the tournament.

On Friday, Daniel Talbot of Quebec shot a hole-in-one on the 17th green to finish the day in a three-way tie with Floyd and Don Allman.

**Belgian Wins 4th Leg Of Tour de France**  
**NARBONNE, France** — Freddy Maertens of Belgium won the fourth stage of the Tour de France bicycle race Sunday, a 232-kilometer (145-mile) ride from Martignes. Gerrie Knetemann of the Netherlands kept the overall lead.

On Saturday, Johan Van De Velde, also Dutch, won the third stage by finishing the 254-kilometer (164-mile) leg from Nice to Martignes in six hours and 32.27 minutes.

# Buchholz Told McEnroe: 'Careful, They're Upset'

By Neil Arndur

**WIMBLEDON, England** — The All-England Club was prepared to default John McEnroe from the Wimbledon tennis championships last week for an opening-day outburst during which he broke his racket in half, called a linesman "an incompetent fool" and swore at the tournament referee.

Earl (Butch) Buchholz, the executive director of the Association of Tennis Professionals, said Saturday that the tournament rules committee opted for an immediate \$1,500 fine and threat of a future suspension and \$10,000 fine in order to conform to current Grand Prix rules for code-of-conduct violations.

"They were prepared to throw the book at John," Buchholz said. "The rules were not strong enough to take care of what Wimbledon wanted to accomplish. They would have put on much more severe penalties if the rules could have allowed it."

Last Tuesday, the day after McEnroe's tempest tantrums, Buchholz said he was informed that members of the club, including chairman Sir Brian Barnett, were very upset and that "Wimbledon was going to be forced to do something."

After meeting with some club officials, Buchholz said: "I told John, 'Be careful, they're really upset.'"

**McEnroe Calls Threats 'Malarky'**  
Buchholz said the code of conduct would be toughened next year, a move endorsed Saturday by Fred Hoyles, the tournament referee. Current rules provide a warning, a loss of two penalty points and loss of game before a player is defaulted for conduct violations. The same steps also exist for delay-of-game violations; thus, a player conceivably could commit eight violations — four for conduct and four for delay of game — before actually being defaulted from a match.

Earlier in the week, McEnroe termed the tournament committee's warning of a suspension and further fine as "malarky." His father, John P. McEnroe Sr., a New York lawyer, branded the committee's threats as "outrageous."

Many Grand Prix tournament directors feel they cannot default top players and still survive financially. So rules are bent by umpires, giving the stars considerably more leeway in their behavior.

Said Buchholz: "Everyone is scared a player is going to be defaulted on national television with fans in the stands, and then you have no match."

"Everyone's afraid of these [top players]," Tom Gullickson said after his opening-day episode with McEnroe. "All it would take is one default to put them in line. They're abusing the rules. If it was the 120th player in the world they would have defaulted him."

# The Tribulations of Summer Football

By Neil Arndur

**NEW YORK** — There's trouble in the professional summer football organization, the American Football Association.

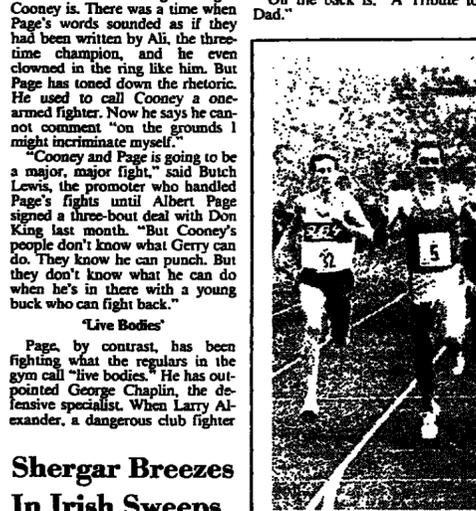
One of its 10 teams, the Orlando Americans, has dismissed one of its linemen after discovering he was an impostor.

Another of the teams, the Carolina Chargers of Charlotte, has virtually disintegrated in a fit of tempers over low pay and a lack of fans.

The Orlando lineman who latched onto another player's identity said he did not believe he would have been considered for the team on his own merits.

So, said Robert Lee Johnson, a 280-pound former center at Temple University, he gave the coaches of the Orlando Americans the impression that he was Randy Johnson, who had played guard in the National Football League for three years after making All-American at Georgia.

**Always Suspicious**  
"This was something I looked at and never had the shot or opportunity," Robert Johnson said. "And here was my chance to do it. Here's a guy that I know has the same name and, basically, the same size and ..."



Tom Byers (37) raises his arms in victory as he crosses the finish line to win the 1,500-meter race in Oslo's Bislett Games ahead of Steve Overtt (5), Steve Scott (32) and Jose Gonzalez.

# Byers Surprises Overtt in 1,500 at Oslo

By Neil Arndur

**OSLO** — Tom Byers, a 25-year-old American, upset the 1,500-meter world record holder, Steve Overtt, in the Bislett Games here after Overtt made what he said later was "a big mistake."

Byers, an Ohio State graduate who lives in Eugene, Ore., stunned the strong international field to win in 3 minutes 39.01 seconds, well outside Overtt's world mark of 3:31.36. Steve Scott of the United States was third (3:39.58) and Jose Gonzalez of Spain fourth (3:39.59).

Overtt, the Briton who was the 800-meter gold and 1,500-meter silver medalist at Moscow, said that "we were all totally misled by the official calling out the lap times ... He was so far ahead that at one time I thought he'd dropped out."

(Byers' leading time at the 800-meter mark, which was on world-record schedule) and I wondered why it was so easy ... I thought, 'Either that guy is running so fast that he is going to die, or I'm going to get beaten.'"

"We were so hyped up for a fast time that we lost all perspective."

Byers nervously stumbled and fell from exhaustion as he crossed the finish line, and it appeared to take some time before he realized what he had just done. After a victory lap, however, he had gathered himself: "It's a dream, I can't believe it. As long as I live it will never happen again."

Friday night's defeat was only the third loss for Overtt at 1,500 meters or a mile in four years. Only Sebastian Coe — in the 1980 Olympic final — and Scott have beaten him.

